

*Railroads Fight  
Unemployment Waste...p. 27*

May 2, 1960

# RAILWAY AGE *weekly*

## **G & F's 182-mile Track Program**

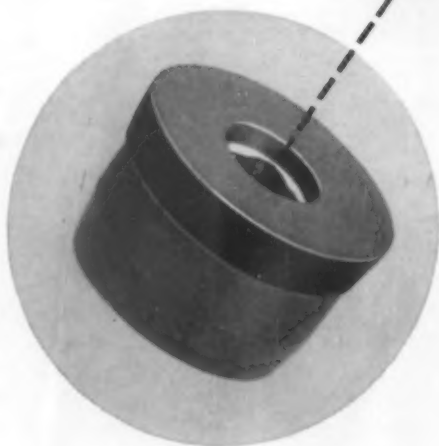
**\$1 million rehabilitation  
job on Georgia & Florida...p. 20**

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EDITORIAL DEPT  
UNIV MICROFILMS INC  
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## **Crossing Protection**

**...6 roads use AFO equipment...p. 17**

*from STANDARD—*  
**NEW cost-cutting cutters**  
**on STANDARD Wheel Truing Machines**



Standard Wheel Truing Machines are now furnished with new cost-cutting cutters.

The secret is in the new tiny tungsten-carbide inserts, which are small cutting disks that provide more cutting action over longer production periods. The entire cutting tool has been redesigned to accommodate the new insert.

The nation's railroads report a 40% increase in production with the new cutters because of increased depth of cut resulting in fewer cuts required to recontour wheels.

The increased life of the new inserts create a tool cost savings of approximately 20%.

Standard Wheel Truing Machines provide an opportunity of cost savings for recontouring through lower original tooling costs, equipment availability, wheel metal savings, wheel inventory reduction and wheel turning production.

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Sound design is the secret of the success of this steadfast little brute. Note that the bracing part is welded solidly to the plate on which the rail rests. Driven snugly between the brace and rail web is a sturdy forged wedge containing an angular spring steel piece which can take a compressive force of 20,000 lb. Slippage is virtually prevented by the compression alone.

But just to sew things up, the Model 811 has two

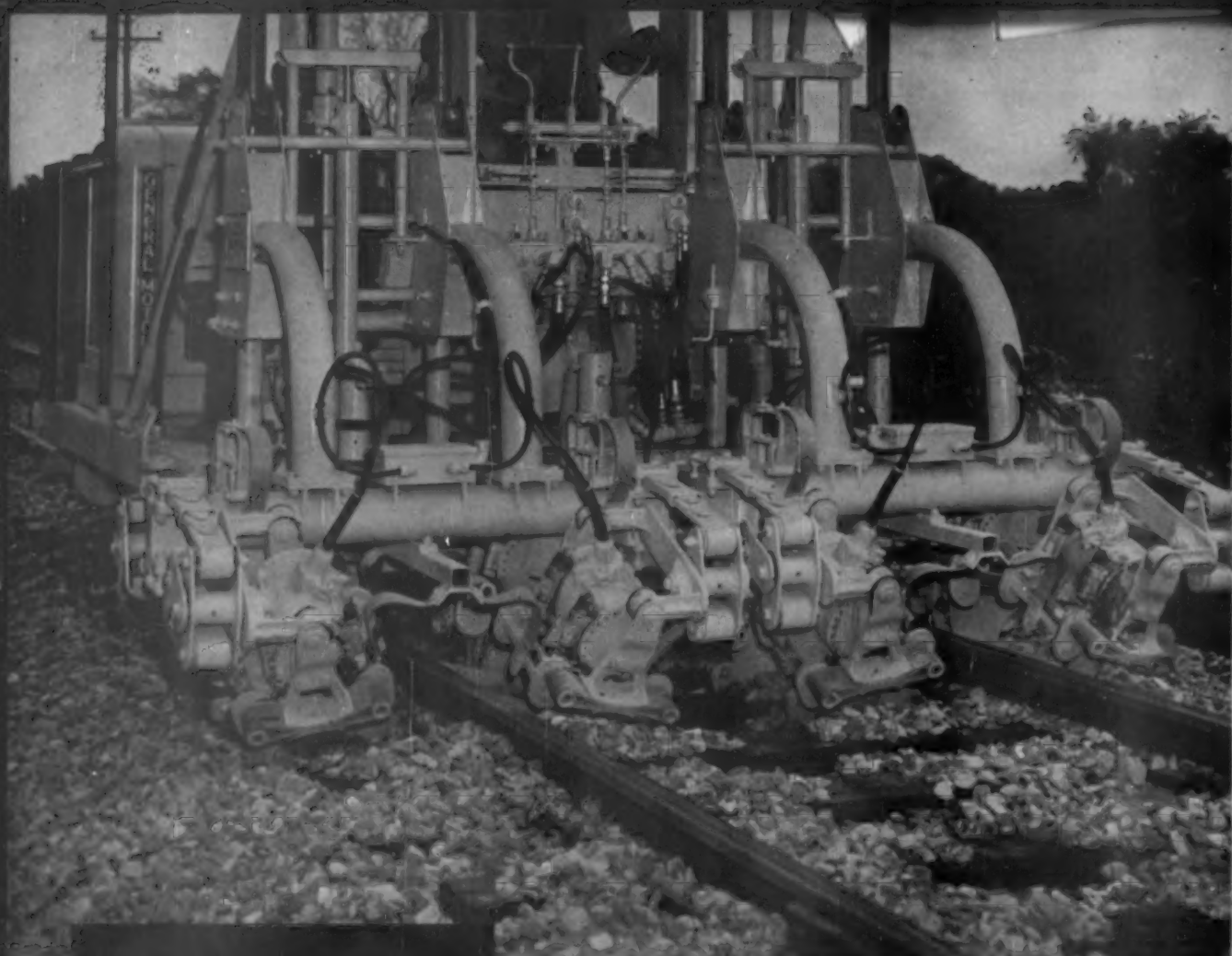
pawls which are turned down into slots in the wedge, locking it into place. The pawls make positive adjustment easy: just disengage them, move the wedge to right or left, then re-position the pawls in the slots. Adjustments can be made in  $\frac{1}{16}$ -in. increments.

There may very well be switches on your system which the Model 811 Spring Rail Brace can brace up. A Bethlehem engineer will be glad to check these points with you and explain the 811 in full detail.

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**JACKSON VIBRATORS, INC.**  
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## Week at a Glance

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### Strike talk slapped down .....p. 9

Industry spokesmen moved last week to squash reports that a railroad strike is "imminent." Most of the strike talk is centered around the featherbedding issue, which hasn't even reached the stage of national negotiations.

### New 'look' in hotbox detectors .....p.15

General Railway Signal Co.'s new Wheel Thermo-Scanner Unit, which "looks" at the hub of the wheel instead of the journal box proper, can spot an overheated journal or a dragging brake in 15/millionths of a second.

### Cover Story—How AFO protects grade crossings .....p.17

The equipment offers special economic advantages in welded rail territory because it eliminates the need for insulated joints.

### Cover Story—G&F pushes its track program .....p.20

The 320-mile line is rehabilitating 182 miles of main track. The project is being financed with a loan, first of its type, approved by the ICC under the Transportation Act of 1958.

### Electrification: France shows the way .....p.24

What large-scale electrification has done for the French National Railways—and what it could do for U. S. railroads, if they could again become a growth industry—was described at a joint AIEE-ASME conference in Pittsburgh.

### \$35,000,000 — and all for commuters .....p.26

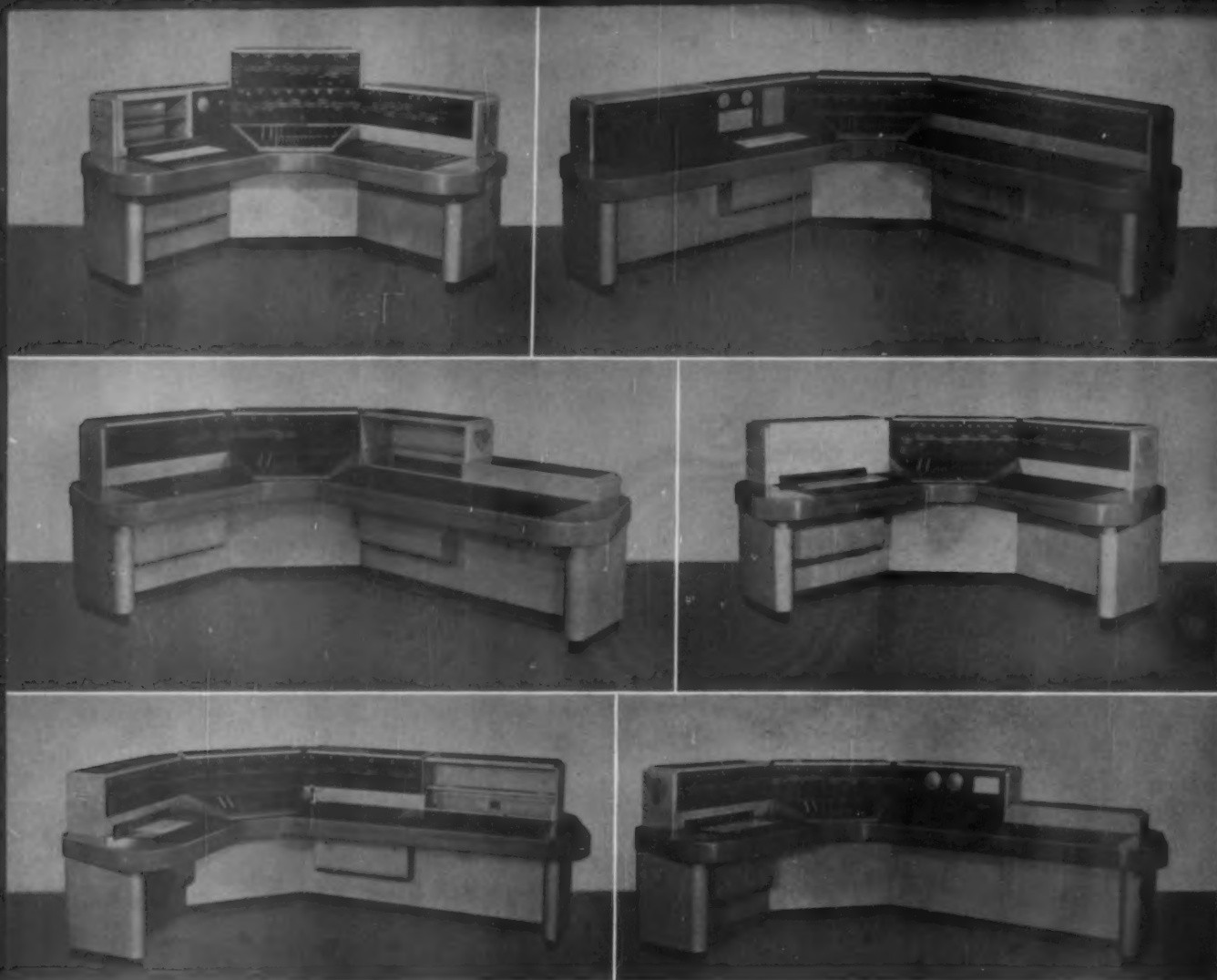
Chicago roads' investment in new suburban equipment may reach that figure if the Milwaukee's plans for replacing its conventional cars with 75 double-deckers materialize.

### Cover Story—RRs fight unemployment waste .....p.27

Here's what some railroads, individually and in cooperation with the Railroad Retirement Board, are doing to conserve unemployment insurance account funds.

### The Continuing Outrage—Creeping canalism .....p.33

The federal government is under growing pressure to accept—as a "gift" from New York State taxpayers—524 miles of waterways, including the venerable Erie Canal. Cost to federal taxpayers might eventually run into hundreds of millions of dollars—and the route is already more than adequately served by a railroad and a four-lane superhighway.



2,093 ~~1,836~~

~~1,400~~ Miles to be controlled

by new Union Traffic Control Centers

~~13~~ 15

Since the new Union Traffic Control Center was introduced over a year ago, <sup>NINE</sup> ~~eight~~ railroads have ordered or put into operation ~~12~~ Traffic Control Centers.

These railroads have realized the advantages of Union Switch & Signal's Traffic Control Centers.

With Union Traffic Control Centers, railroads can consolidate the control of CTC in strategic locations and ultimately control an entire railroad from one central point.

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## Week at a Glance

### Current Statistics

Operating revenues	
2 mos., 1960 . . .	\$1,563,389,022
2 mos., 1959 . . .	1,532,213,474
Operating expenses	
2 mos., 1960 . . .	1,254,520,883
2 mos., 1959 . . .	1,253,755,076
Taxes	
2 mos., 1960 . . .	168,158,367
2 mos., 1959 . . .	153,091,379
Net railway operating income	
2 mos., 1960 . . .	85,713,645
2 mos., 1959 . . .	75,670,278
Net income estimated	
2 mos., 1960 . . .	55,000,000
2 mos., 1959 . . .	42,000,000
Average price railroad stocks	
Apr. 26, 1960 . .	92.67
Apr. 28, 1959 . .	112.33
Carloadings, revenue freight	
15 wks., 1960 . .	8,798,615
15 wks., 1959 . .	8,811,869
Freight cars on order	
April 1, 1960 . .	42,131
April 1, 1959 . .	35,487
Freight cars delivered	
3 mos., 1960 . . .	13,850
3 mos., 1959 . . .	7,223

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### The Action Page—Nationalization solves no problems .....p.38

Railroads would prosper in their own right if honest economics were applied to the problem of equitable financing of all investment in transportation facilities. There would then be no demand or justification for nationalization.

### Short and Significant

#### Soo Line's guaranteed rate . . .

went into effect April 24, after being under suspension for more than a year. The ICC had requested a further extension, but Soo Line, faced with the opening of the lake shipping season, declined to go along with further delays. The rate covers shipments of pipe moving Sault Ste. Marie, Ont., to Chicago and also applies over DSS&A, Milwaukee and C&NW.

#### Struggle for control of Interstate Railroad . . .

between the Southern and the L&N, both of which have been seeking to acquire the 88-mile coal carrier through stock ownership (RA, Nov. 2, 1959, p. 7), has been resolved by the roads. Joint agreement removes L&N opposition to Southern control by preserving existing competitive rate relationships. Next step: ICC hearing on Southern's application May 10.

#### C&EI isn't negotiating a merger . . .

with the New York Central, says President David O. Mathews, but "if Central is interested in C&EI, we will be glad to discuss the matter with their officials." He made the statement after press reports "identified" C&EI as a possible NYC mate. Meanwhile, Mr. Mathews said C&EI-Missouri Pacific merger hopes are still alive with "certain corporate problems" under active study.

#### Venezuela is reported negotiating . . .

with a Canadian syndicate for construction of an extensive railway system. Reports circulating in Caracas say the syndicate would take payment in crude petroleum and iron. (In 1951, the Venezuelan government approved construction of a 2,637-mile standard-gage railroad system of which 109 miles of single-track CTC line has thus far been completed.)

#### Merger for C&O . . .

is a definite possibility but to date no consolidation seems to match "what C&O would bring to the union." Still, President Walter Tuohy told shareholders last week, the company "has been and is looking at a couple of possibilities that may have merit."

# To make more profits per car

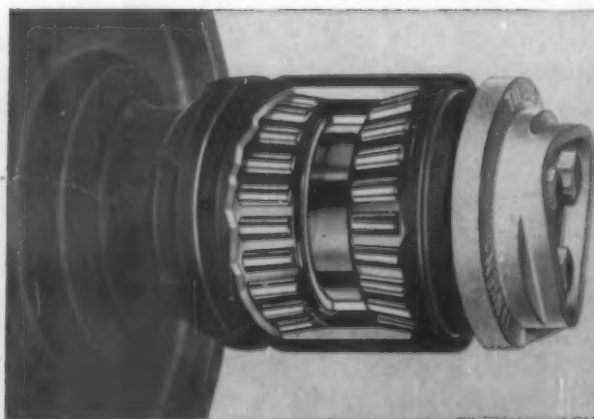
## RAILROADS ARE MAKING THE "BIG SWITCH"

To realize greater return on their freight car investment railroads are equipping more and more cars with Timken® Heavy Duty-High Mileage "AP" tapered roller bearings. In high speed piggy-back service, cars are going 168,000 trouble-free miles a year on Timken bearings. Timken bearings boost profit per car because: 1) They solve the hot box problem. In actual service Timken "AP" bearings are averaging 110,000,000 car miles between overheated bearings. 2) They cut terminal bearing inspection time as much as 90%. 3) They will roll 4 years without adding lubricant.

93 railroads and other freight car owners have already joined the big switch to "Roller Freight". By the end of 1959, 53,270 Timken bearing equipped cars were in service or on order. And the total has jumped to over 62,000 so far this year.

Right now we're increasing the capacity of our Columbus, Ohio, railroad bearing plant to 40,000 car sets a year to meet the ever growing demand for Timken Heavy Duty bearings.

Right now is the time to switch to "Roller Freight". Timken Heavy Duty-High Mileage "AP" bearings are available for all sizes of standard axles and Class G 7 x 14. And for new cars or conversions. When all freight is "Roller Freight" Timken bearings will save the railroads an estimated \$144 per car annually. Switch to "Roller Freight" now for high mileage, trouble-free service, increased profits. The Timken Roller Bearing Company, Canton 6, Ohio. Cable address: "TIMROSCO".



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# Strike Talk Slapped Down

► The Story at a Glance: A railroad strike—over working rules or any other issue—is by no means imminent, or, at this point, even likely. And if the work rules question should come to a strike vote, it's unlikely that there would be any prolonged work stoppage.

That was the gist of top-level thinking among railroad men as the industry moved to squash reports of an "imminent" strike.

Talk of a "pending" railroad strike, particularly about proposed work-rules changes, was slapped down sharply last week.

Action came from several directions at once:

- President W. C. Cole of the National Association of Shippers Advisory Boards wrote 27,000 shipper-board members that "loose talk about a strike being inevitable should be discounted."

- Carrier Conference Committees stopped work on pending wage cases in Chicago to point out that national negotiations on the work-rules issues "have not yet begun."

- Union sources continued to say that "rail unions have not been threatening to strike over 'featherbedding' or any other issue."

- And the Research Institute of America updated its recent news reports for 30,000 member companies to say a featherbedding showdown may now be postponed "until even early '61."

This flurry of activity was prompted by press reports in recent weeks suggesting that a major work stoppage on the railroads is a strong possibility, and that such a crisis could develop within the next 60 to 90 days.

Such reports may have stemmed from failure to distinguish that two separate and distinct cases are pending on the railroads: the general wage movement on the one hand, and the so-called work-rules issue on the other. Only the wage cases are well advanced (see below).

Notwithstanding, talk of an early strike has stirred action and quick denials from several sources.

Mr. Cole's April 25 letter to shipper-board members pointed out that "both management and union leaders have

repeatedly stated they will make every effort to seek a peaceful solution and avoid a strike.

"Even if a national crisis eventually ensues it need not result in a work stoppage or a cessation of service because of the government's own recognition of the overriding importance of continued railroad service."

Mr. Cole's views echoed opinions expressed by the carriers' negotiators in Chicago. Their move to set the record straight included this statement: "Although preliminary moves are likely within the next month or two [on work rules], pressures of already pending wage negotiations and the automatic timetables built into the Railway Labor Act make it highly improbable that the rules negotiations could approach a climax before fall or early winter."

The Research Institute said in its April 23 issue that it now looks like a rail crisis is deferred and business will have a breather.

After pointing out that a crisis on "featherbedding," if one comes, is considerable distance away, the Institute noted that "the storm could break over the head of the newly-elected President with possible repercussions extending far beyond the issues."

Rail labor, meanwhile, came into the picture via an editorial in the newspaper, "Labor." The paper suggested

that pressures that could lead to a work stoppage "have come from the management side."

While most of the talk last week was about the work rules dispute, most of the action came on the wage front. One thing was clear:

Sometime over the next four to six weeks, a "lead" settlement or recommended settlement may emerge from the tangle of current wage disputes. But at the moment, there's no certainty whether it will be a binding arbitration award in the BLE wage case or the recommendations from an emergency board in the non-ops wage-fringe benefit case.

The Engineers have completed presentation of their case before the six-man arbitration panel which opened hearings April 5. Presentation of the carriers' testimony began shortly before the board recessed April 21, and was scheduled to be resumed May 2. Under the arbitration agreement, the board has 40 days (dating from April 5) in which to investigate and make its award—unless further time is granted by the parties. Some observers are looking for a decision about June 1, perhaps sooner.

Meanwhile, Emergency Board No. 130, created by President Eisenhower April 22 to seek a settlement in the wage-fringe benefit dispute between

(Continued on page 16)

## GE Unveils High-HP Diesel

A new high-horsepower main-line diesel locomotive has been placed on the market by the General Electric Company.

The announcement, made last week by Ralph J. Cordiner, GE chairman, answers a question asked by many railroad men: "What is GE going to do with its high-horsepower diesel that has been under test for many months?"

Specially designed for high-speed service, the 2,500-hp four-axle locomotive is powered by a 16-cylinder, four-cycle, turbocharged diesel engine. It is 60 ft 2 in. long, and weighs 260,000 lb—or 65,000 lb per axle. It will have a pressurized carbodry with filtered air being delivered to all electrical components, the engine hood and engine cab, a feature long sought by railroads.

Designed the U-25B, the locomotive,

GE pointed out, with 625 hp per axle, will develop 50% more horsepower than the average main-line diesel unit. It is, however, rated only slightly higher than the Electro-Motive 2,400-hp, six-axle SD-24, and Alco's 2,400-hp, six-axle DL-600 B and its recently introduced four-axle DL-640 locomotives.

General Electric is not a newcomer in the domestic market, having developed and produced high-horsepower main-line electric and gas-turbine locomotives and many diesel-electric switchers. For years, GE has supplied foreign countries with both switching and main-line diesel-electric motive power.

Mr. Cordiner, announcing plans to enter the main-line diesel market, said shipments would not begin until next year because of production problems.

# 'End Transport Subsidies'—Mitchell

Secretary of Labor James P. Mitchell last week suggested that railroad labor unions and management join in recommending "a fundamental overhauling of the Interstate Commerce Commission" and "the gradual elimination of all government subsidies in transportation."

At the same time the secretary also recommended that management's demand for an end to featherbedding be given "most careful consideration and deliberate study—a consideration and study that cannot take place under the gun of a deadline."

The Mitchell recommendations were made in an April 27 address before the Railway Employees Department of the AFL-CIO in Chicago. His theme was that a competitive position for railroads cannot be achieved "if the collective bargaining table continues to be the only instrument for communication between rail unions and rail management."

Secretary Mitchell said the country needs a "fresh approach" to regulation. He added that regulation should produce equality of competition, "and not an index to the competition of yesterday." And he thinks joint labor-management recommendations would go a long way toward this end.

"If a joint recommendation is not possible, certainly separate recommendations would be in order," the secretary said. As to subsidies, he said:

"The government subsidizes the building of ships . . . It deepens and develops inland waterways. It subsidizes air lines through the construction of terminals and the carrying of mail. It has subsidized truckers through building public roads. The railroads remain the great unsubsidized portion of the American transportation system."

"I suggest that we seek the gradual elimination of all government subsidies in transportation, and the introduction of user charges so that each mode of

transportation carries its fair share of the burden of public expenditures from which they now profit unequally."

"I believe that the railroad industry position on matters like government regulation and user charges would be a strong one, and would contribute to an improved competitive posture for railroads, if it represented the best thinking of both labor and management—if it were a total industry position."

Secretary Mitchell also told the labor leaders that lack of flexibility in railroading "means lost jobs and a continuously deteriorating position."

Urban-suburban transportation, "which is going to get worse before it gets better," is an area where the secretary thinks the railroad industry "could step forward with a comprehensive transportation plan." He suggested that city terminals, rights-of-way and established links between suburb and city are railroad advantages which such a plan might take into account.

## Watching Washington *with Walter Taft*

• **MAY 1's WAGE INCREASE**, as anticipated here (RA, April 18, p. 10), was one cent per hour for railroad employees working under agreements with escalator clauses. It will cost railroads about \$20 million a year.

**THE COST-OF-LIVING INDEX**, published by the U.S. Bureau of Labor Statistics for March, provided the raise. The index, at 125.7, was 8.6 points above September 1956's index of 117.1, which is the escalator-clause base. Up or down wage adjustments of one cent per hour are required for each half-point change from this base. So, the March index built the escalator-clause increases up to 17 cents per hour, i.e., one cent in addition to the 16 cents already provided.

**PENDING WAGE DEMANDS** of unions representing railroad employees seek inclusion of these escalator-clause increases in the basic rate on which newly-demanded raises will be bottomed. Continuance of the escalator clause arrangement, however, is demanded only by unions representing railroad operating employees.

**THE NON-OPS** want to end the escalator deal because they want to get away from contracts with moratorium or specific-term provisions—like the three-year agreements which expired last November. While the non-ops wouldn't mind escalator clauses not tied to moratoriums, they recognize that such a tie-up has been the usual arrangement. And they want most of all to

return to contracts under which they can serve new demands at any time.

• **THE FULL-COST BASIS** for identifying the low-cost carrier in competitive rate situations is what at least one examiner, L. E. Bartoo, thinks is ICC policy. Commission decisions, though tending that way, have never announced such a policy. And the railroads have opposed it, contending that carriers should be permitted to compete with any rate which is compensatory, i.e., above out-of-pocket costs.

**THE EXAMINER** recommends that the Commission condemn railroad rates on the out-of-pocket-costs-plus basis which are proposed to compete with water-carrier rates on the full-cost basis. Traffic at stake is newsprint paper moving from Alabama and Tennessee points to Houston, Tex. Because the barge rates, with which railroads propose to compete, do cover fully-distributed costs, the examiner calls the barge lines "the low cost transportation media on this particular traffic."

**THE RAILROADS** "should not be permitted to lower their rates to the out-of-pocket-cost level to force the barge lines to retain the traffic at rates differentially lower than the rail rates and below the barge lines' fully-allocated cost of transporting this traffic," Mr. Bartoo advises the Commission. Meanwhile, he had reported that the railroads once had the business. They lost it to a barge line which published the rate they are now seeking to meet.

# LOOK OUT

To passengers, a window is to *look out of*. To men who build structures or vehicles, a window is one thing to *look out for*. Experience has taught them to look beyond price and specifications alone. Does the manufacturer have "know-how" in all types of windows? Is it an old, established company? Does this company design, extrude, fabricate and anodize aluminum sash under its own roof?

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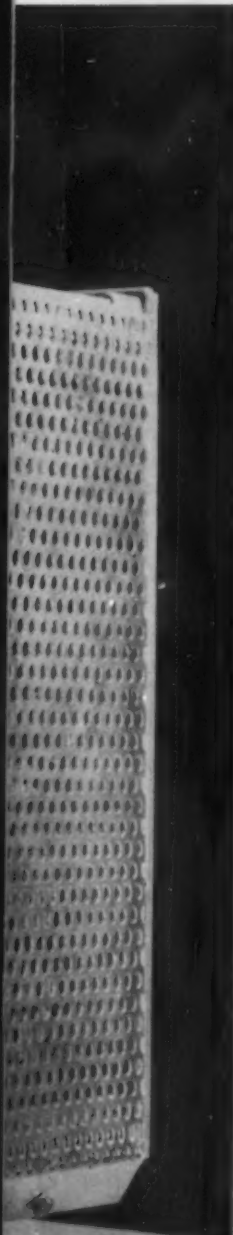




**CERTIFIED renewal part**

# VOLTAGE REGULATOR

## **Reduces Maintenance, Minimizes Downtime**



General Electric now offers you a transistorized regulator design which eliminates contacts and moving parts. Electrical components are card-mounted. Functional circuits are on separate, easily removed cards. Electrical connections are made to readily accessible terminals at the front of each card. General Electric's new transistorized Static Voltage Regulator gives fast, reliable voltage regulation at low cost for a wide variety of auxiliary generators. Makes maintenance easy, minimizes downtime. Optional built-in reactor-type current limit protection.

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G-E Regional Parts Centers are located in Los Angeles . . . Chicago . . . St. Louis . . . Atlanta . . . Erie

# RR Purchases Over-Inspected?

Our correspondent, in raising this question, wondered why it was necessary for a railroad buying a particular product to a designated specification to inspect it at every step between manufacture and application. Taking paint as an example, he commented that most other industries rely on the manufacturer's certification that the product is what the specifications call for, because, if it is not, the manufacturer will make good. On the railroads, though, powdered box car red is inspected in the powder form, again in the mixed form, and again at application time.—*Editor*.

Very few railroads continue the inspection of paint materials to the degree described in your question. Others, however, continue attempting to write composition specifications even though they do not carry out a very complete inspection program of the specifications which govern their purchases of paint.

The one certain result is that they find themselves unable to keep pace with the chemistry of the paint industry. In consequence, composition specifications invariably are soon outdated.

The acid test of any paint, of course,

is its actual performance on the job. Knowledgeable maintenance engineers are using this standard as the most important one in selecting protective coatings. We would welcome such a program on the part of the railroads and feel quite strongly that no supplier would object to this practice which might be called "performance testing" by the consumers—in this case the railroads. Certainly, costs to the railroads could be dropped through elimination of superfluous inspections and railroads would then rely on suppliers to furnish materials meeting representative standards of performance.

Failure to match the performance requirements on the job would result in the action always taken by a consumer not satisfied by the quality of any goods or services he has purchased. This is quite simple and readily understood by all concerned. Some of the largest railroads already operate in this fashion. It is our belief the practice will extend itself, at least insofar as paint products are concerned.

We do not think we can possibly be alone in our policy of taking care that the things we do today will keep us in

A forum for railroaders who want to explore questions of importance to their industry, this column welcomes both questions and answers from readers at all levels of responsibility in the industry and associated fields. We'll pay \$10 to any reader submitting a question that forms the basis for a column discussion. Address correspondence to Question and Answer Editor, Railway Age, 30 Church St., New York 7, N.Y.

business tomorrow. In other words, we propose to continue our business far into the indefinite future and perhaps we need our customers more than they need us in order for us to accomplish our aim. A clear understanding of this type of program by the railroads which still follow inspection practices established many years ago, would, we believe, result in simplified and more economical operations for them. [These comments were provided by a sales executive of a company with a large railroad paint business. Our contributor prefers to remain anonymous.—*Editor*]

## Why Not Run-Through Yard Switches?

Run-through yard switches, sometimes called automatic switch stands or hand-throw spring switches of the yard type, or snap action hand-throw switches, have been used to a greater extent in recent years in modern retarder classification yards. In such installations they are used primarily at the bowl end of the class yard and also in the receiving and departure yards. Their main advantage is, of course, that they can be trailed through without damage to the operating rod, switch stand or mechanism. All 250 hand-throw switches in the L&N's Radnor Yard at Nashville are of the run-through type. These switches will latch in the opposite position when trailed through.

The main difference between these yard switches of the run-through type and spring switches for mainline service is that the yard switch when trailed through will "snap over" and remain in the position actuated by the wheels,

whereas the mainline spring switch returns to its original position.

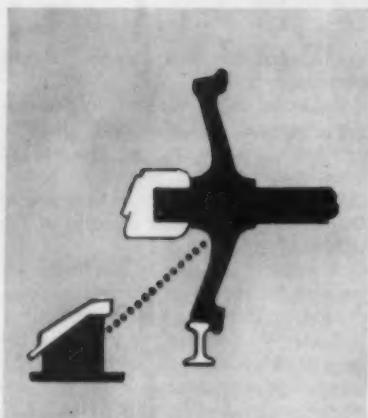
As yard movements are directed by the switch crew foreman or switchman on the ground, normal practice—where hand-throw switches are used—is, of course, for the man on the ground to operate the switch and then direct the engineer to move over it.

There are two schools of thought concerning use of these run-through yard switches. One is that where an engine or car inadvertently trails through a hand-throw switch, the run-through type more than pays for itself in preventing damage that would be caused if the switch did not snap over when it is trailed through. Trail-through movements occasionally occur when the hump engine is trimming in the class yard and is shoving cars toward the bowl end. Instances have occurred where cars have been pushed out onto the ladder track. In such a case, a snap

action switch would go over and no damage would result.

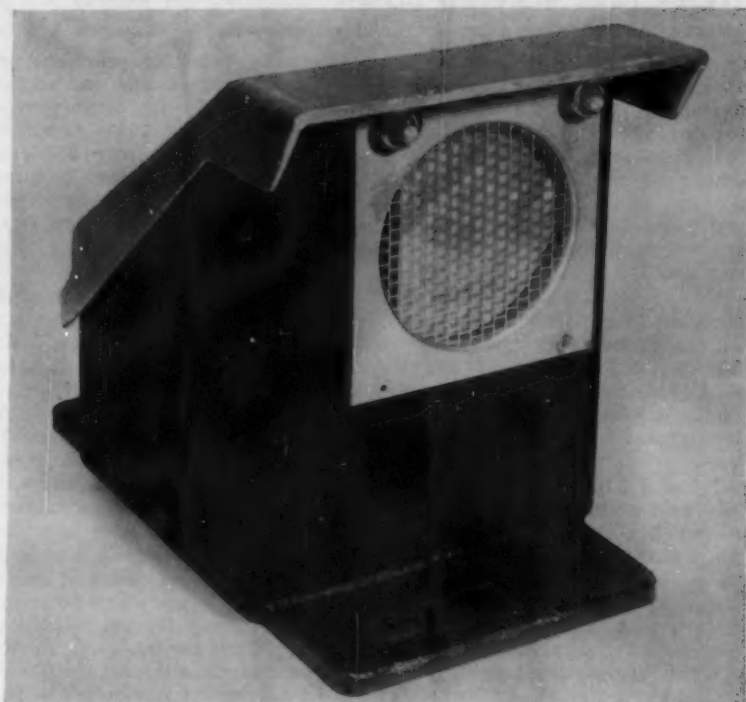
However, the second school of thought is that as the engine movements should be directed by a man on the ground observing the position of switches, signals and other movements in his area, there is no excuse for trailing through a hand-throw switch. Therefore, it is bad psychology, in effect, "to tell the engineer that no damage will result if he should trail through a switch which has been set against him."—*Engineer—signals and communications*.

[In passing this question for comment, we turned up two points of view, which are summarized above. One man added that he is opposed to any device that makes human error possible, since, he says, "it's a basic law of human behavior that if it's possible to make a mistake, sooner or later, someone will make it."—*Editor*]



▲ **SCANNER VIEWS THE HUB** behind the journal box at a point common to both plain and roller bearing cars. Viewing is at right angles to the track.

► **RADIOMETER** or viewing unit, in cast iron case, has screen strengthened plastic window for keeping dirt and moisture out.



## New 'Look' in Hotbox Detectors

General Railway Signal Co. has entered the hotbox detection field with a device that can spot an overheated journal or a dragging brake in 15-millionths of a second.

GRS's new Wheel Thermo-Scanner Unit is designed to detect heat resulting from improperly performing journals or from defective brakes. It differs from other "detectors" now on the market in two important respects:

1) Instead of "looking" at the journal box proper, the new device views the hub of the wheel.

2) Its sensing element does not have to be heated by the radiation emanating from the defective journal or brake—but reacts directly and almost instantaneously to the particles of energy hitting it.

The new device employs a radiometer (which includes the optical system and the heat sensing element) developed by the Eastman Kodak Co.

The radiometer views a 1-in. by 3-in. area of the hub of the wheel at a point common to both plain and roller bearing cars. GRS research indicated that the hub provided a natural collector for bearing heat. Viewing at this location puts all bearings in the same

proportionate temperature range and makes the heat-sink effects of the side frame unimportant. The result is a graph which clearly indicates which bearings are heated above normal. GRS says that misinterpretation resulting from confusing overheated journals with the normally hotter roller bearings should be reduced.

The infrared radiation from the hub enters the radiometer through a filter which passes only the desired wavelength range. A concave mirror focuses the radiation on the sensing element. There are no lens transmission losses.

### **Time: 15 Microseconds**

The heat sensor in the new device is a tiny, sealed element responsive to photons (particles of energy—in this case, infrared light or heat energy). The photon detector is directly sensitive to particles of energy. Since it requires no heating it can react in only 15 microseconds (0.000015 second).

(Other "detectors" use a thermistor bolometer, which changes its resistance when heated by radiant energy.)

The trackside radiometers are housed in cast iron cases. A shutter, to seal

out light, opens automatically when the train approaches; it closes after the train has passed. No active electronic components, other than the sealed detector cells, are housed at trackside. As the device views the hub at right angles to the rails, only one set is required to take care of bi-directional train operation.

All electronic components—dual channel amplifier, gating unit, power supply and relays—are located away from the track. All interconnecting cables are plug coupled. The amplifier is transistor operated. Power requirements are 100 watts operating, 15 watts standby, at 105-130 volts, 60 cycles ac.

A single wheel detector to trigger each wheel scanning sequence is required at each installation. The wheel detector is encapsulated in epoxy resin for moisture protection. It clamps to the rail, requiring no drilling.

The system provides an output suitable for any standard pen recorder. This recorder may be at the site or it may be remotely located. For distances in excess of two miles, GRS recommends Data-Tran, its telemetering system.



the railroads and 11 non-operating unions, has until May 22 to submit recommendations to the White House—unless both sides agree to an extension. Indications are that the organizations will press for a wrapup of the hearings within the 30-day limit—and that could push the non-op case out ahead of the BLE wage arbitration proceedings.

G. E. Leighty, chairman of the non-ops' national committee, said the group will have "seven or eight" witnesses, including economists Eli Oliver and W. F. Homer and several union presidents. Actual presentation of the case, he estimated, would take about 20 hours.

From a labor cost standpoint, the non-ops' demands are higher than those of the BLE. Carrier estimates place the annual cost of non-op demands at about \$465,000,000 for the non-op group alone, and at more than \$700,000,000 if the benefits demanded were extended to all employees. In contrast, the BLE wage demands would bear an annual cost tag of \$45,262,000 for the Engineers alone and about \$655,000,000 if applied to all rail workers.

Fringe benefits are another factor—the BLE case concerns wages and the cost-of-living escalator only, while the non-ops are seeking benefit increases estimated to cost about \$173,500,000 annually. Demands cover more liberal

vacation and holiday provisions; extended hospital, medical and surgical insurance benefits for employees and their dependents and for furloughed employees; and free group life insurance. The carriers have countered with proposals to cut wages by five cents per hour and revise certain provisions of the insurance and vacation agreements.

The wage issue involves non-op demands for a 25-cent hourly increase vs carrier demands for a 15-cent hourly reduction (bringing the total reduction proposed to 20 cents an hour).

Opening statements indicated that the carriers will rely heavily (as they have in the BLE case) on two points: an outline of wage relationships between the railroads and other industries and proposals for bringing labor costs in line with those prevailing in industry generally; and a survey of the railroads' ability to pay higher labor costs and, as Attorney Howard Neitzert put it, even "their ability . . . to continue to pay their present labor costs."

In his opening statement, Mr. Neitzert contended that since 1949, average hourly wages and earnings of the non-ops "have risen precipitously above the levels . . . in manufacturing industries—producing a 20-cent advantage in average hourly earnings which is now enjoyed by railroad non-operating employees." The carriers' wage proposal

would wipe out that claimed 20-cent advantage.

Evidence to be presented by the carriers, he said, will also show that the carriers cannot pay any increase in labor costs and that "immediate reductions in labor costs may be essential to the solvency of a large segment of the industry."

A majority of industry employees are covered by the 11 organizations cooperating in the wage-benefit movement.

Lester P. Schoene, counsel for the organizations, opened with the argument that improvements in rail employee wages and benefits haven't kept pace with those in other industry. He also sought to establish separate consideration for working conditions and wage increases (Mr. Neitzert countered with the comment that "these are not in fact separable issues, in that both involve labor costs").

Fresh from a triumph before the U. S. Supreme Court in the C&NW-ORT job stabilization case, Mr. Schoene laid stress on the time lapse since the employees have made wage and benefit gains. His contention: Employees have had no improvement in vacation or holiday benefits since 1954, in health and welfare benefits since 1956, and no improvement in wages since 1958.

Mr. Schoene also quoted from the high court's majority opinion in the ORT case, in attempting to have the board consider points which the carriers contend are not bargainable—specifically, the health and welfare demands relating to employee dependents and furloughed employees and the employee life insurance demand. He told the board that it has the responsibility to make recommendations on the merits of the issues, regardless of legal action which the carriers have instituted to obtain a ruling that the issues are not bargainable under the Railway Labor Act.

Mr. Neitzert, however, said the carriers take the position that the demands do not come within the scope of mandatory bargaining under the Act, "that it is unlawful for these organizations to insist upon these demands, and that it would be improper for your emergency board to recommend that the carriers enter into agreements . . . concerning the subject matter of these demands."

John T. Dunlop, professor of economics at Harvard, is chairman of the board. Other members are Benjamin Aaron, of the Institute of Industrial Relations, University of California at Los Angeles; and Arthur Sempliner, Detroit attorney and judge.

## New England Merger Ruled Out

Six New England railroads have concluded that merger isn't, at least for the time being, the answer to their problems. But they're working toward increased interline cooperation aimed at "substantial economies and improved service."

Maine Central President E. Spencer Miller, who is also chairman of the New England Railroad Presidents' Conference, issued the following statement following completion of a study by the J. G. White Engineering Corp. of New York:

"The New England presidents consider that merger at the present time is not feasible due to the depressed earning power and the depressed value of securities of certain carriers caused in great measure by enormous passenger deficits and inequitable and burdensome taxation.

"It is the consensus of the New England railroad presidents that if the earnings of the New England carriers can be increased by the amount of the present passenger deficits, merger would

be a distinct possibility which, in turn, would be productive of accomplishments of certain recommendations in the White report, not otherwise feasible, and of further and very substantial financial improvements with better freight service and rates for New England."

From the White report, however, came recommendations for several changes in present operating procedures which the presidents have referred to "task forces" on their respective roads. These recommendations involve:

- Operation of freight trains through junction points without stops for classification.
- More efficient routing of freight.
- Abandonment of parallel railroad lines.
- Reduction of freight car per diem charges.

New England roads involved in the studies are the Maine Central, the Boston & Maine, the Bangor & Aroostook, the Rutland, the New Haven and the Boston & Albany.



# How AFO Protects Crossings

Six major railroads have installed audio frequency overlay (AFO) track circuit equipment at eight highway crossing installations. The equipment also has been ordered by six other railroads.

AFO equipment, manufactured by Union Switch & Signal Division of Westinghouse Air Brake Company, eliminates the need for installing or maintaining insulated joints. This offers special economic advantages in welded rail territory where cutting of rail is avoided. In electrified territory, both insulated joints and impedance bonds are eliminated. The equipment fills the need for applying highway crossing control track circuits without disturbing existing signaling circuits.

The fail-safe equipment permits installation of highway crossing signal control circuits with complete directional control and "island" operation as provided with three conventional track circuits.

With AFO equipment, approach circuits as long as 4,000 ft may be operated. This is long enough to give a 20-second warning time for the approach of a train traveling as fast as 136 mph.

The six railroads which have installed the equipment are the Santa Fe, the Rock Island, the Chicago South Shore & South Bend, the Detroit, Toledo & Ironton, the Louisville & Nashville and the New Haven.

One of the eight installations was a phantom trial installation (no actual crossing, but recorders indicating the operation) with full-length approach circuits. Four are complete systems with approaches circuited with AFO equipment, and three are installations using AFO to establish "island" track circuits (positive circuit across the highway).

The audio frequency overlay circuit consists of a transmitter feeding a current of 1,000 to 3,000 cycles per second into the rails. One transmitter is at the beginning of an approach circuit. Its associated receiver is at the far side of the highway crossing from the transmitter. A second transmitter sending out another current of different frequency is at the beginning of the approach circuit from the other direction. The second receiver is also across the highway from its transmitter. Thus, the two currents overlap on the crossing forming the "island" circuit.

A train entering one of the approaches shunts the circuit, cutting the thousand-cycles-per-second current



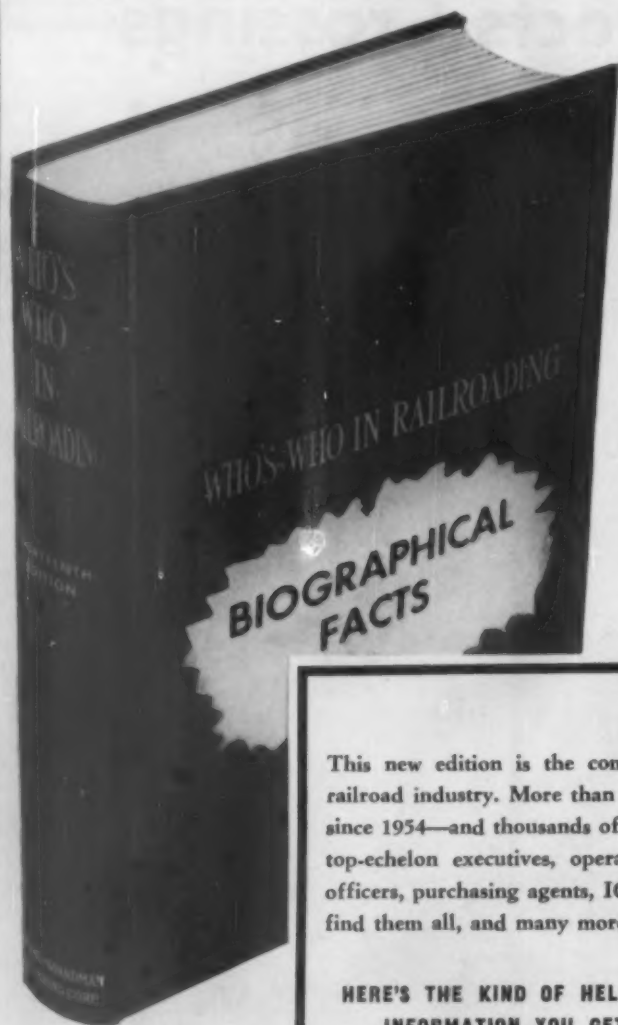
**AFO EQUIPMENT** offers special economies when used in welded rail territory because it eliminates need for insulated joints. Approach circuits may be as long as 4,000 ft, increasing flexibility at industrial-track crossings like the one above.

from its receiver. This causes the crossing protection equipment to begin operating. When the rear of the train passes the receiver (opposite side of the highway from which the train entered the crossing) the equipment ceases operation.

Audio frequency overlay equipment can be adjusted so the leading wheels of an approaching train will shunt the circuit within 100 to 150 ft of the transmitter rail connections. Because

approach circuits are usually hundreds or thousands of feet long, this 100-ft leeway is not critical. Insulated joints are not required, and the AFO overlay circuit can be superimposed on existing track circuits without interference. This overlay type of circuit, however, cannot be used for trimming circuits, or where cutouts and restarts are required at crossings involving station stops and switching moves.

*(Continued on page 34)*



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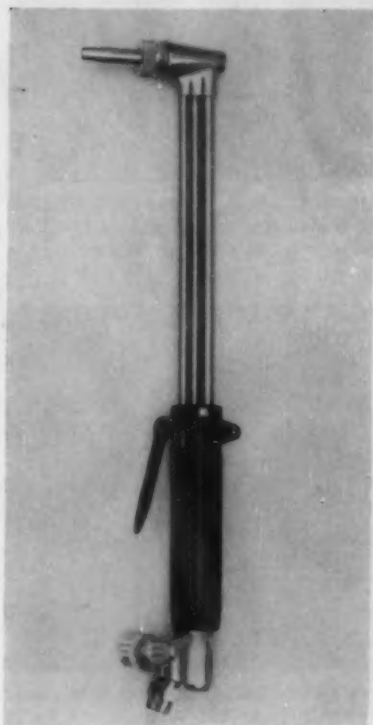
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# New Products Report



## Cutting Torch

The Tuf-Tony cutting torch has a flow capacity which enables it to cut 24-in. steel. It has a slip-proof grip with adhesive handholds and is equipped with an over-or-under cutting lever which is easily reversed. An Ease-on oxygen control valve permits gradual introduction of cutting oxygen. The torch is available in 21- and 36-in. lengths, with heads of 75 and 90 deg. *Smith Welding Equipment Corp., Dept. RA, 2633 Fourth St., S.E., Minneapolis 14.*



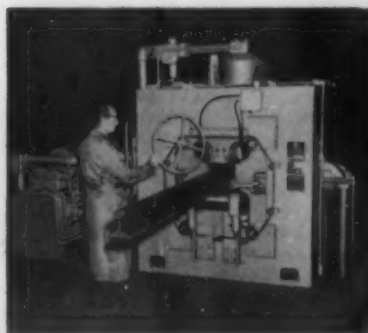
## Spark Arrestor

The Air-Maze vane type spark arrestor for mobile and stationary internal combustion engines has passed U.S. Department of Agriculture, Forestry Service, test specifications. It employs a centrifugal action principle without the use of moving parts. Standard models, in aluminized steel with cast ductile iron vanes, may be had in four sizes to fit engines from 150 to 1,200 cu in. displacement. *Air-Maze Corp., Dept. RA, 25000 Miles Road, Cleveland 28.*



## Crawler-Mounted Crane

The new Model 330 "Sprawler," a crawler-mounted crane, can lift more than its own weight, according to the manufacturer. Working in a 12-ft radius, with outriggers set in place, the crane can lift 60,000 lb using a 30-ft boom. The same length boom, working in a 10-ft radius, with outriggers folded against the crawlers, can lift and carry 47,980 lb. *Koehring Div., Koehring Co., Dept. RA, 3026 West Concordia Ave., Milwaukee 16, Wis.*



## Rail Straightening Press

Bent rails can be straightened, it is claimed, by the use of a new hydraulic Rail Straightening Press. The machine is designed to automatically detect, locate and straighten bends up to 8 ft in radius as the rail moves through the press on a conveyor system. Bends of longer radius can be straightened by the addition of an outboard sensing device. *Hydraulic Manufacturing Company, Dept. RA, Mount Gilead, Ohio.*

## Data Processing System

The 7080 solid-state data processing system offers instruction compatibility with existing 705 systems. Internal processing speeds in the 7080 are six times as fast as those of the 705 III and ten times as fast as those of the 705 I or II. As many as five input-output tape operations can be overlapped with processing. The 7080 overlaps transmission with processing and tape reading or writing. *IBM Processing Div., Dept. RA, 112 East Post Rd., White Plains, N.Y.*



**1** **TWO-WHEEL KRIBBERS** remove as much old ballast from the cribs as possible. Track Broom then cleans sand, weeds from ties.



**2** **TRACK IS RAISED** to allow old ties to be knocked down and removed. Machine being used here is a Kershaw Track Jack.



**5** **NEW TIES** are pulled into track by Kershaw Track Crane with tie inserter. Laborers then insert tie plates, gage track and drive spikes.



**6** **NEW BALLAST** is distributed, then track is raised by Kershaw Tamping Jack, which tamps one tie in each quarter to hold the raise.

## Georgia & Florida Pushes

**BY STEWART B. AUSTIN**

Chief Engineer, Georgia & Florida

**The Story at a Glance:** By the fall of 1961 the Georgia & Florida, a 320-mile line, hopes to wind up a track-rehabilitation program involving 182 miles of main track. It's financing the project with a \$1 million loan approved by the ICC under the Transportation Act of 1958. The work, which includes rebalasting with crushed rock and heavy tie renewals, got under way in March and is being done by a newly organized, highly mechanized gang.

The rehabilitation of railroad track with borrowed funds is a rarity. But, to do such work with the proceeds of a loan guaranteed by the federal gov-

ernment is unprecedented in the U.S.A.

Such a precedent has been established on the Georgia & Florida. A \$1 million loan (RA, Oct. 12, 1959, p. 7), approved by the Interstate Commerce Commission under provisions of the Transportation Act of 1958, and guaranteed by the federal government, is being used in carrying out a program in which about 182 miles of the road's 320 miles of main track are being rehabilitated. The financing was done by the First National Bank of Atlanta, Ga., under a procedure outlined by the ICC.

This loan, the first of its type, is in addition to a similar loan of approximately \$1 million (RA, May 18, 1959, p. 7) granted the road in 1959 for the purchase of one hundred 50-ft box cars which were delivered in the fall of last year.

Work on the main tracks, using the loan funds, got under way in March this year. In making application for this loan the road stipulated that the funds derived would be used for the purchase of treated hardwood track ties, tie plates, other track materials, crushed rock ballast and track-maintenance machines. No rail laying is contemplated under the present program. Proceeds of the loan will be more than matched by funds provided by the road for labor and other materials and supplies. In addition to the track work, it is planned, using funds from other sources, to improve trestles and buildings and to carry out other improvement work. The road will also use its own funds to complete the rehabilitation of trackage not included in the present program.

The G&F extends from Valdosta in





**3** REMAINING SAND in tie cribs is removed by two Tie-Bed Cleaners. Laborers then use shovels to clean track of all sand and grass.



**4** SHOULDERS of skeletonized track are smoothed and shaped by Ballast Regulator. Note new ties at left ready for insertion.



**7** TAMPING is done with two Jackson Multiple Tampers working in tandem. Track Jacks are used ahead of tampers to correct small irregularities.



**8** LINING is done with Nordberg Trakliner. Regular section forces dispose of old ties, apply anti-creeper, and then clean up track.

## Its 182-Mile Track Program

southern Georgia in a northerly direction to Greenwood, S. C., with branches to Adel, Ga., and Moultrie. It has been in receivership since 1929. Present receiver is Alfred W. Jones.

Prior to approving the track-rehabilitation and car-purchase loans the ICC made a thorough study of the G&F to determine the need for the loans, the use of the funds and the ability to repay. Studies were made of the road's personnel, its labor relations, its patrons, both on and off line, present and potential industrial locations and general prospects.

Inspection parties, composed of officers of the road and representatives of the ICC, examined all main tracks, trestles and structures. The proposed rehabilitation program was carefully examined and evaluated. The fact that the loans were granted after such a

careful investigation is considered a vote of confidence in the road.

As early as 1955 the G&F had taken steps to place its track in such shape as to make mechanized maintenance possible. Because these tracks had been maintained on ballast consisting of sand or native soil they were not capable, under increased tonnages and wheel loads, of providing the stability and economy of maintenance required today. A program was undertaken, therefore, to reballast the main tracks with crushed rock ballast and to do needed retimbering and tie-plating. Since few machines were available that could remove sand ballast the road collaborated with the Kershaw Manufacturing Company in devising a system whereby several of that company's machines were modified to meet the road's track-reworking demands.

With the track program under way in 1955 and 1956, about 90 miles of main tracks were ballasted, timbered and reworked. During the next two years, however, due to conditions common to all roads, the program had to be retarded. Because of extremely wet periods the road went into 1959 suffering from slow train schedules made necessary because of rough track at locations where rock ballast had not been placed. The decision having been made to seek approval of a loan under the Transportation Act, the track program was further retarded pending receipt of the loan funds. Goal: 182 Miles by Next Year.

On being notified the loan would be granted steps were taken to provide the necessary materials and the additional machines and equipment needed to increase the work force. By March

a gang to carry out the track rehabilitation work had been organized and its machinery had been brought up to date by additional purchases. The goal is to rehabilitate the 182 miles of main track by the last quarter of 1961.

Ahead of the track gang the roadbed is drained by the use of a Jordan Spreader and cuts are set back and fills flushed by a work train using dump cars. Section forces then distribute new ties and tie plates, remove anti-creepers and do other work.

The mechanized gang then moves in

to rehabilitate the track. This gang removes all sand ballast, installs new ties as needed, places tie plates, gages the track, places the rock ballast, and surfaces the lines and rebuilt track. Roster of the gang consists of 15 machine operators, foremen and assistants and 28 laborers and cooks. The outfit is in charge of a supervisor of track—mechanized gangs. One or two roadway mechanics, equipped with shop trucks, are assigned to the maintenance of the machines used by the gang.

Here's how the work is done:

### The G&F: A Long Struggle for Survival

The Georgia & Florida's track-rehabilitation program, using a government-guaranteed loan, marks another milestone in the turbulent—and frequently precarious—history of this southeastern line. Following a shaky beginning in 1908, the road gained ground after World War I, but was so badly damaged by floods in 1929 that it was forced into receivership, a state of affairs that has continued ever since. It managed to survive the depression and gained strength prior to World War II, but was in serious difficulties again in 1948 because of increasing labor and material costs. These difficulties were complicated by labor problems that resulted in several strikes.

To help the road out of its difficulties, the receiver, Alfred W. Jones, retained Wm. Wyer & Company as consultant. The result was a recommended course of action that included a plan for improving labor-management relations. In return for a ten-year no-strike agreement, labor was granted a profit-sharing contract.

With labor peace assured, the road embarked on an improvement program that included dieselization (completed in 1950), the abandonment of branch lines, and a property-rebuilding program with emphasis on bridges and trestles which had accumulated a great deal of deferred maintenance.

Following his appointment, in March 1954, as chief operating officer, J. P. Belvin, now chief executive officer, instituted many changes in operating procedures. A team of department heads was formed which holds regular conferences. Budget matters are given top attention and means of achieving more efficient operating results are continually sought.

Many improvements have been made, especially during the period 1957-59. The obsolete telegraph and telephone system was replaced by a Teletype system leased from Southern Bell Telephone & Telegraph Co. All train dispatching and wire communications are now handled by Teletype. In addition, Motorola two-way radio base stations have been installed at all principal points and all locomotives and cabooses are radio equipped. All trains and mobile radio units are within reach of a base radio station and connected by Teletype to the general and dispatching offices.

IBM machines are performing major accounting functions for the car and accounting departments, as well as various classes of work for other departments.

Crossing signals and gates are being installed where required at highway crossings. A program looking to the elimination of non-productive tracks has resulted in reduced maintenance costs, while at the same time additional yard and passing tracks have been constructed.

The road's car fleet has been increased through the acquisition of 150 wood racks in 1954, a number of covered and open-top hoppers and specialized equipment, in addition to the 100 box cars obtained in 1959 under the Transportation Act loan.

Its fleet of diesels has been increased and existing diesels are being brought up to date through unit exchange of motors and other work. The last payment on the diesels will be made this year.

In view of all these improvements, and with the tracks now being upgraded on an extensive scale, officers of the G&F see better times ahead for their road.

First, a portion of the sand is removed from between the ties by Kershaw Two-Wheel Kribbers, followed by a Kershaw Track Broom sweeping sand and grass from the tops of the ties. Next a Kershaw Track Jack is used to raise the track a sufficient amount to allow laborers to remove ties, using spike bars to knock them loose from the rails. In the same operation the track is raised 2 to 4 in., after which two Kershaw Tie-Bed Cleaners complete the work of removing the sand from the cribs. Following behind this operation a Ballast Regulator smooths the sand removed from the track and improves roadbed drainage.

Final cleaning of the track is done by four laborers using shovels. This is followed by the retimbering operation in which a Kershaw Track Crane with tie inserter installs new ties at the rate of 700 to 1,500 per mile. Laborers then insert tie plates, gage the track and set spikes which are driven by I-R pneumatic spiking hammers.

### Ballast Distribution

Crushed rock ballast is distributed by work train at the rate of 1,500 tons or more per mile. The track is raised on the new ballast by a Kershaw Tamping Jack and the ties are tamped by two Jackson Multiple Tampers. The ballast is regulated before and after surfacing by a Ballast Regulator and the track is then swept by a Track Broom. Lining is done with a Nordberg Trakliner. Follow-up work, such as disposing of old ties, bolt tightening, installing rail anchors and general cleaning up, is by section forces.

The Ballast Regulators in both the stripping and timbering gang and in the surfacing gang are equipped with Motorola two-way radios and the gang foremen have been provided with handy-talkie units. The purpose is to eliminate delays to trains, which are also equipped with radios, and to increase the efficiency of the gangs.

When the track-rehabilitation program has been completed the plan is to create, from the present organization and equipment, two timbering and surfacing gangs which will perform our future heavy-maintenance work on a cycle basis.

The G&F maintains a fast through route between northern points and various points in Georgia, South Carolina and Florida. With its track rehabilitation program under way, and with other impressive improvements being made in the physical properties, it is anticipated on the G&F that the road will soon be in a better position to attract new business and new industries.

# What Shippers Like in Freight Containers

Shippers seem to be showing increasing interest in freight containers looking like, and about the size of, conventional highway truck-trailers.

That, at least, is one of the conclusions drawn from a recent survey of important shippers in the Cleveland area. The survey, limited in scope, but intensive in detail, was conducted by A. W. Todd, former traffic manager and now director of purchase engineering, of Lincoln Electric Co.

"There seems," Mr. Todd says, "to be an almost unconscious shipper drive"

toward truck-body size containers—probably of the recommended standard dimensions of 40 ft by 8 ft by 8 ft. This, he believes, "will capitalize progress on every improvement made by motor carriers in this direction, and magnify every error made by railroads."

Development of containers for joint benefit of shippers and railroads, Mr. Todd concludes, "will require intensive cooperative work, and presupposes that rules, traditions and other old constrictions will be removed."

Other conclusions from the survey:

- There is virtually no shipper interest in small containers for LCL.

- There is some shipper interest in medium-size containers, holding up to 10,000 lb, and loading from four to 10 on a flat or gondola car. Such interest might be stimulated if containers of that type, suited to particular movements, could be operated as a pool.

- There is also some shipper interest in development of small freight cars, something like those used in Europe, but no sentiment for cars larger than those now in use in this country.

## Railroading



## After Hours with *Jim Lyne*

**RETIREMENT OCCUPATION**—Some railroaders when they retire go fishing. Some go into the supply business. The late George Randall, retired car service officer and port director for the AAR, took on an editorial assignment—that of running the "Questions & Answers" department of *Railway Age*. Working with our editors, George developed a service which attracted a lot of participation from interested readers. He kept at it until only a few months ago when the state of his health made him lay off.

Some fellows quickly fade out, from boredom, when they are put out to grass—but not a man with imagination. Even if a fellow has no hobbies and knows or cares about nothing but railroading—there are still plenty of facets of this business which can stand a lot of skilled attention. George found one uncultivated field worth plowing into. There are many others.

**TRANSIT SAFETY**—Riding a transit line is a lot safer than driving to work. Nevertheless transit systems are always getting kicked around—and in New York there's been complaint about both safety and on-time performance. So an engineering firm was hired to examine the property and reveal what it found. As to safety, the engineers reported the system's record "unexcelled." Most transit riders who get killed are those who fall or jump in front of trains.

As for reliability of service, the principal cause of trouble was found to be the age of cars, and the record is worse for the division having the highest ratio of old cars. On one of the divisions 64% of the cars are over 35 years old and, on another, 42%.

People are used to paying for unlimited amounts of highway transportation with their taxes and they're not used to paying for transit, in part, in the same way. It's the competition from heavily subsidized motor traffic that has caused all the trouble for the transit lines, which are indispensable to big cities' very existence.

**RAILROADS AS PRODUCERS OF ELECTRICITY**—Railroads have 40 million kilowatts of electric generating capacity, represented by their fleet of diesel-electric locomotives. This compares with 150 million kilowatts of

installed capacity by the great and growing electric utility industry. In other words, railroads are better than one-fourth as big in the business of producing electrical energy as the utilities are.

My source for this information is P&LE's president John Barriger—who has been digging into the potentialities of railroad electrification. These he believes will be considerable, once the railroads are given conditions under which they can have reasonable assurance of traffic growth.

**COPY PRESSES AS SAFES**—Reader W. S. Wicker says—of those old-time copy-book presses that used to adorn every railroad office and station—that they served in a way as fireproof safes. That is, if the press were screwed down tight, a fire might char the edges a little, but the middle part of the copies would remain intact.

Mr. Wicker reports that he's seen three of these presses relatively recently—one of them in the Rock Island's ticket office at Cedar Rapids; another at the Tallulah Falls Railway, Tallulah Falls, Ga.; and another in some premises at a Boston warehouse, leased out by the Boston & Maine.

**COMMISSION ON TICKETS**—I have a letter from a traffic vice-president, strongly favoring the payment of 5% commissions on tickets sold by travel agencies. He brings me up-to-date by advising that 15 or more railroads, by independent action, are now paying these commissions on straight travel. However, some of these lines (he goes on to say) pay commissions only in towns served by airlines—and surround the payments with other restrictions.

Lack of uniformity in application of such commissions, and in acceptability of credit cards, certainly must cut down a lot on their usefulness. I can understand why a road with very little passenger business might not want to go to all the bother to make arrangements with outsiders—but I'd suppose the heavily traveled routes might find it easier to get together, either pro or con. I've observed that patrons of air lines seem to use air travel credit cards quite widely—one reason being that practically all airlines accept them.



# Electrification: France Shows

► The Story at a Glance: Electrification, says Pittsburgh & Lake Erie President John W. Barriger, can play the same spectacular role between 1965 and 1980 that dieselization did between 1945 and 1960—if changes in national transportation policy allow privately owned railroads to again become a growing industry. Mr. Barriger's thesis—that government restrictions, not technical limitations, have so far prevented large-scale electrification in the U. S.—is supported by what has happened in France, where electrified lines now produce half of all freight ton-miles and passenger miles.

"It seems again appropriate to talk about super power for super railroads," P&LE President Barriger told the fourth annual Railroad Conference, sponsored jointly by the American Institute of Electrical Engineers and the American Society of Mechanical Engineers in Pittsburgh April 20.

"Super power means 10,000 to 15,000 hp electric locomotives using central station power. Super railroads denote intensively improved and developed main lines of great regional or even transcontinental systems . . . Super power symbolizes the locomotive capacity necessary to make the next breakthrough to operating standards that are appreciably above the best presently attainable ones.

"Machines of this great output will exceed the rational limitations of portable generating plants. The traffic densities essential to support the scale of

operations related to locomotives of such capacity will inherently provide the economic characteristics essential to support electric power distribution systems

"Use of 25,000 or 30,000 volt, 60-cycle power with modern means of current rectification and the present d-c traction motor will provide the technical foundation of widespread future economical railway electrification. Daily operations of American railroads now require a fleet of nearly 30,000 diesel locomotives containing portable power plants having an installed capacity equal to over one-fourth of that of all of the nation's central power stations. The intermittent and average less-than-capacity use made of this impressive total of mobile power plants produces a low 'power factor' for each locomotive unit and the total group . . . Not all locomotives are working at any one time, and not all those which are running are utilizing their full rated capacity continuously. Railroads with electrified lines find that the maximum power consumption seldom exceeds 20% to 25% of the equivalent capacity of the entire locomotive ownership.

"Electric power cannot be easily or economically stored in large amounts and it cannot be generated in small quantities at low unit cost. The difference in the cost of electric power generated on the locomotive compared with that made in a large stationary plant [4 to 10 cents per kwh on locomotives vs 2 mills per kwh for high-

capacity stationary stations, according to Mr. Barriger] when related to the annual power requirement of super-railroads will represent an amount sufficient to pay interest, depreciation and maintenance of the distributing system for maximum density lines, and leave a balance sufficient to represent an adequate return on investment.

"Use of 25,000 volt or 30,000 volt distribution systems permits installation of a much lighter and less expensive catenary system than was formerly the case. The former \$50,000 per-track-mile cost has come down to about \$20,000 per mile. Present unit cost per horsepower of all-electric locomotives will average about 75% of that of diesel locomotives, and might be reduced to about two-thirds with volume production."

When will this breakthrough to super power come? Said Mr. Barriger: "One can predict with certainty that if the railroads are permitted under private ownership to return to their rightful place in the national economy, obtaining the traffic growth and earning power necessary to support the continued rapid integration of technological progress into their properties and equipment, electrification of the primary main lines of consolidated railway systems will follow."

## French Progress

Further evidence that government restrictions and not technical limitations block present U.S. electrification was presented by Fernand Nouvion, director of electrical traction research for the French National Railways, who described the progress of industrial-frequency railroad electrification in France. M. Nouvion told how the 2,200 route miles of electrification in France in 1945 has now been expanded to 4,000 route miles, with an additional 700 miles scheduled to be under catenary by 1963.

Presently these electrified lines produce half of all the freight ton-miles and passenger miles, and this proportion will become 63% by 1963. Between 1949 and 1958, railroad employment in France dropped from 465,000 to 360,000 while traffic increased from 70 billion to 85 billion "traffic units." Electric traction, said M. Nouvion, has played a major role in this increased efficiency.

Main lines are being electrified and branch lines are being dieselized. On a double-track line, an annual diesel locomotive fuel consumption in excess



ELECTRIFICATION PATTERN has been established in France. This BB 16000 ignitron-rectifier passenger locomotive on the French National Railways is rated at 4,920 hp, weighs 185,000 lb, and has top speed of 100 mph.



# the Way

of 26,600 gal. per route mile would be necessary to justify electrification. For a single-track line, the figure is 16,900 gal. per route mile.

All major electrifications now planned in France will be with 25,000 volt, single-phase alternating current distribution.

An important phase in the development of successful electric locomotives in France has been work on improving their adhesion characteristics. While most of the units now on order will have four-wheel trucks, each truck will have only one motor and the two axles will be coupled. Coupling of axles does improve adhesion. Locomotives are being wired with motors in parallel to avoid the "slipperiness" associated with series connected motors. Two approaches are being taken to rail cleaning. One is a form of mechanical cleaning and the other would be a system of "sparking" in which a high voltage discharge to the rail just ahead of the wheel would remove contaminants.

## Slip-Correcting Brake

J. C. Aydelott, General Electric, told of experiments conducted on the Erie Railroad with two 2,500-hp General Electric diesel road switchers equipped with slip-suppressing brake. Although these units have only four axles, latest wheel slip detection and control equipment has made their operation successful.

"The belief has sprung up that slipping would limit the usefulness of a high-horsepower diesel-electric locomotive," Mr. Aydelott said.

Findings of the GE research program show that "low adhesion occurs intermittently, and there are stretches of good adhesion interspersed between the slippery spots; good slip detection and correction enable a locomotive to make use of prevailing stretches of good adhesion and effectively develop high horsepower per driving axle to move trains economically. . ."

A slip-correcting brake was used in these tests. This system employs an automatic light, quick application of the regular brakes on the locomotive unit on which the slip occurs. While brakes are applied to all wheels, the effect is slight on wheels which are not slipping and the action takes maximum power from the slipping axle to decelerate it. The brake application also removes slippery film from the wheels and prepares them to engage the good rail when it is available.

# Editors Afield

CHICAGO

One railroad is operating a locomotive and side dump cars by remote control. But no one will talk about it for publication. Everyone (officially) denies its existence. Why the news blackout? Labor relations, say those in the know. This is an important step toward automation, and I'm sure the brotherhoods know about it.

Planning today for tomorrow, Santa Fe is installing extensive microwave systems for through communications. Pole lines will be maintained for signal circuits, namely CTC, and local message lines. Top management concurs with financial support for extending microwave to cover all mainlines.

Speaking of microwave, don't expect to use it for television. TV just takes too much bandwidth. Might be OK for coast-to-coast commercial use, but those in the know say microwave transmission

of TV isn't economical. Similarly, some thinking is that TV for railroads does not replace the yardmaster and his tower. Most yardmasters want to be up in the air and have those binoculars for looking around. Economically TV doesn't pan out for yard surveillance, say my informants.

Hot box detectors are again in the news. General Railway Signal has just entered the field (see page 15) and the word here is that Union Switch & Signal will have a detector out next month. That brings the score to five: pioneer was Servo Corp. of America, then came General Electric and Link Aviation last fall.

Time-saver: Rock Island is using an ultrasonic (high frequency sound waves) unit to clean six teleprinters per day compared to one per day using the former hand methods.

Robert W. McKnight

## Whitman Advises 'Hard Sell'

Railroad industrial and agricultural development officers "are bringing more traffic to the railroads than ever before," says Western Pacific President F. B. Whitman.

"Railroad managers are becoming increasingly aware of the good work you are doing" and are "placing greater emphasis on your responsibilities," Mr. Whitman told members of the American Railway Development Association at their 51st annual convention in New Orleans, April 24-27.

He went on to say that "there are many opportunities for further progress" to which development officers can contribute by:

- "Hard selling" for the railroads, so other industries will locate on railroad lines—not "some distance away."

- Using "resourcefulness and ingenuity" to keep down costs and at the same time have property available to meet demands of industry.

- Careful analysis of problems, so as to forestall emergencies—"not just meet them after they develop."

- Long-range planning; "even if it results in some mistakes, planning on the basis of an educated guess is better than no planning at all."

Each of these points represents application to development work of one of Mr. Whitman's "philosophies of management," which he outlined with

the optimistic undertone of his feeling that "future opportunities for success of the railroads appear more favorable than . . . in the last 30 years."

As the basis for this optimism, he predicted railroads would get "a bigger share of a larger total of traffic" because of:

- "The forward-looking attitude of modern-day railroad managers."

- Growth of population and of gross national product.

- "Saturation" of highways and airways.

- The Transportation Act of 1958 and this year's Department of Commerce report on transportation.

- The "more aggressive attitude" aimed at better marketing and more skillful selling and pricing.

J. W. Ewalt, assistant to vice president—real estate, of the Pennsylvania, was elected president of ARDA, to succeed F. B. Stratton, director of industrial development and real estate of the WP. Other new officers are: First vice president—L. B. Horton, commissioner, agricultural and mineral development department, Chicago, Milwaukee, St. Paul & Pacific; second vice president—K. C. Lewis, manager, real estate and industrial development, Delaware & Hudson; and secretary-treasurer—F. V. Fisher, land and tax agent, Elgin, Joliet & Eastern.



**MILWAUKEE'S DOUBLE-DECKERS** will look something like this. Present plans don't call for use of push-pull equipment such as C&NW has adopted.

## \$35,000,000 —And All for Commuters



**C&NW**, well on its way to full modernization of equipment, has 84 double-deck cars with another 116 on order. All are, or will be, push-pull design.

Commuting may never become an absolute joy for either commuter or railroad—but Chicago's suburban roads seem determined to make the business as palatable as possible for all concerned.

Investment in new equipment alone over the next few years may total \$35,000,000 or more.

- Chicago & North Western, biggest commuter carrier, is spending \$21,000,000 for 116 new bi-level push-pull cab cars and trailers to modernize its operation completely by late 1961.

- The Milwaukee Road is projecting a three-year program to replace all conventional equipment with 75 double-deck cars at a cost of \$13,125,000.

- Burlington, owner of 60 two-level coaches (as well as 88 conventional

cars, all air-conditioned), can be expected to add to its fleet of bi-levels as demand for service increases.

Milwaukee, newest entry in the suburban upgrading field, is tying its modernization to proposals to boost fares (by an average 25-30%) and to institute a flash ticket system similar to that adopted by C&NW in its full-scale revision of suburban passenger operations.

Under existing circumstances—Milwaukee lost \$1,800,000 on commuter service last year—the road can find no justification for heavy investment in new suburban equipment. But, if it can increase fares to levels "necessary to support such a program," it will move immediately to order the first 25 double-deckers. The remaining 50 cars

would be ordered according to the modernization schedule, revenues permitting.

Actually, even with a 25% increase in fares, Milwaukee commuters will be paying little more than commuters on other Chicago roads. For a round-trip commute of 34 miles, for example, IC commuters now pay \$19.87 for a 46-ride monthly ticket, \$22.08 for a 54-ride monthly; C&NW riders pay \$22.63 for an unlimited monthly flash-type ticket. Over the same distance, Milwaukee commuters now pay \$18.75 for a 46-ride. Applying a 25% increase brings the cost to \$23.19.

A petition for authority to impose a new suburban fare structure was to be filed with the Illinois Commerce Commission last week.

# RRs Fight Unemployment Waste

Deficit financing has come to railroad unemployment insurance in a big way. The unemployment tax rate—levied solely against employers—has risen steadily since 1955. It now stands at 3¾%—and outgo is still outrunning income. The unemployment account today is “solvent” only because of transfers totaling \$109,600,000 (as of April 20) from the railroad retirement account.

Much responsibility for the situation lies with a Congress prone to liberalize benefits and reluctant to tighten the restrictions on claims. Without legislative relief, management may be fighting a futile battle to cut unemployment costs significantly—but employment officers can still point to several ways in which the blow can be softened. Their objectives:

- To schedule work to keep men employed, without paying surplus employees.

- To get men back to work quickly after temporary furlough.

- To cooperate with the Railroad Retirement Board in policing the unemployment benefit system—and to make sure benefits are paid only to those entitled to them.

A number of roads have moved ahead, both individually and in close cooperation with the RRB, in an attempt to conserve unemployment insurance account funds.

Companies such as the Rock Island, Grand Trunk Western, Chesapeake & Ohio, and the Santa Fe, are credited with maximum effort toward cutting the number of unemployed by hiring experienced people off the benefit rolls.

Some roads have made notable progress toward spreading work over longer periods of time or broadening the capabilities of workers. Among them, for example, are the Boston & Maine and its all-year M/W crew (RA, Feb. 16, 1959, p. 22), and the Rock Island and its composite B&B-water service gangs (RA, Nov. 28, 1955, p. 28).

Managements in some areas are tending to relax hiring standards for new men when experienced people are available. The RRB reports an increasing number of orders showing higher age limits for men with experience than for those without. That can make a significant dent in benefit rolls, because many unemployed are in higher age brackets.

On many roads there's been a tightening of the checks on claimants. The story about the Chicago & Eastern

Illinois engineer who qualified for \$40.80 unemployment benefits while he earned \$850 during a 30-day period (RA, Nov. 9, 1959, p. 15), touched off a flurry of circulars calling for strict adherence to the rules on information required of train and engine service claimants.

Closer supervision of the system can pay big dividends fast. On one road, a survey of claims paid T&E employees showed that 6% of the amount paid before checks were instituted shouldn't have been paid. After closer supervision was begun, the percentage dropped to a mere two-tenths of one per cent.

All such moves can be significant contributions. Personnel officers point out ruefully, however, that there's no reward for the individual road's efforts. It has to be a team drive. “One road that's very careless can offset all the effort that others may be making.”

Grand Trunk, over the past year and a half, has provided a good example of that team effort. Its system revolves around the employment office in Detroit. All layoffs must be reported there, no new hires may be made without a check there first. Among the

results of the program:

- Notable successes in placing men across craft lines. Furloughed firemen and even a few shop employees have been placed as switchmen. In some cases, men have also changed work location—laid-off brakemen at Detroit, for example, were placed as switchmen at Flint. Housing arrangements in such transfers can be a problem, but not an insoluble one. In one instance, a group of switchmen rented an apartment and shared expenses. In another, GTW provided a caboose for temporary living quarters.

- Close cooperation between companies in the Detroit area. Carmen cut by GTW were placed with NYC because the employment offices of the roads maintain contact.

- Pre-layoff placement efforts. When the road was preparing to close a shop facility, teams of men were sent into the area to work on placement in advance of furloughs.

The fight to cut unemployment costs is a business where discouragement comes easily. But, forward-looking personnel officers shrug off the setbacks and keep plugging.

## How Unemployment Costs Can Skyrocket

Suppose nine employees are used on a given job at a wage rate of \$2.13 per hour. Each man earns the minimum qualifying wage credits of \$500. Total wages would be \$4,500.

If each man had 15 years' railroad service, then each, if and when furloughed, could get \$500 in normal unemployment benefits and \$1,326 in extended benefits. The total, for nine men, would be \$16,434.

Total cost of the work in this admittedly extreme example is \$4,500 for wages and \$16,434 in accrued unemployment benefit liability, or a total \$20,934. The base wage rate of \$2.13 per hour has been considerably inflated by accrued benefit liability. Including maximum possible sickness benefits in the total would boost the overall cost potential and the wage rate still higher.

Now assume that one man instead of nine is used to do the job—perhaps by scheduling the job over

a longer period. One man would have the same qualifying wage credits: \$4,500.

If the one employee had 15 years' railroad service and was furloughed, he could get \$1,326 in normal unemployment benefits and \$1,326 in extended benefits, for a total of \$2,652.

Total cost of the work, done by one man instead of nine, would be \$4,500 for wages and \$2,652 in accrued unemployment benefit liability—a grand total of \$7,152. Cost, including accrued benefit liability, is cut by almost two-thirds by use of minimum personnel. An extreme example? To be sure. But similar situations do arise—for example, the case of the road that employed a young woman as an extra clerk, June 1956 to July 1959. Her wages: \$4,976. Her sickness, maternity and unemployment payments: \$5,542. In effect, she was paid double time for all work performed.



## 24

## REVENUES AND EXPENSES OF RAILWAYS

(Dollar figures are stated in thousands; i.e., with last three digits omitted)

[illegible]



# REVENUES AND EXPENSES OF RAILWAYS

(Dollar figures are stated in thousands; Ls., with last three digits omitted)  
MONTH OF FEBRUARY AND TWO MONTHS OF CALENDAR YEAR 1940

Name of Road	Average mileage operated during period		Operating Revenue		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total (inc. miles)		Operating Expenses		Total 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# MARKET OUTLOOK *at a glance*

## Carloadings Rise 0.4% Above Previous Week's

Loadings of revenue freight in the week ended April 23 totaled 625,374 cars, the Association of American Railroads announced on April 28. This was an increase of 2,739 cars, or 0.4%, compared with the previous week; a decrease of 23,945 cars, or 3.7%, compared with the corresponding week last year; and an increase of 91,523 cars, or 17.1%, compared with the equivalent 1958 week.

Loadings of revenue freight for the week ended April 16 totaled 622,635 cars; the summary, compiled by the Car Service Division, AAR, follows:

REVENUE FREIGHT CARLOADINGS For the week ended Saturday, April 16			
District	1960	1959	1958
Eastern .....	91,867	96,887	82,642
Allegheny .....	112,556	121,612	91,980
Pennsylvania .....	56,702	52,840	42,754
Southern .....	126,028	119,311	106,350
Northwestern .....	76,074	75,834	59,174
Central Western .....	109,786	117,611	104,901
Southwestern .....	49,622	50,933	46,706
Total Western Districts .....	235,482	244,398	210,781
Total All Roads	622,635	634,848	534,507
Commodities:			
Grain and grain products .....	46,518	48,296	52,598
Livestock .....	3,952	5,575	5,092
Coal .....	112,503	105,161	95,491
Coke .....	9,370	10,815	5,250
Forest Products .....	41,533	39,737	30,908
Ore .....	40,346	32,827	13,222
Merchandise l.c.l. .....	37,867	42,512	45,891
Miscellaneous .....	330,546	349,924	286,055
April 16 .....	622,635	634,848	534,507
April 9 .....	598,384	619,268	521,160
April 2 .....	598,031	590,592	516,247
March 26 .....	600,926	604,392	532,273
March 19 .....	581,477	605,885	532,997
Cumulative total, 15 weeks .....	8,798,613	8,811,869	8,076,691

## PIGGYBACK CARLOADINGS.

—U. S. piggyback loadings for the week ended April 16 totaled 10,614 cars, compared with 8,031 for the corresponding 1959 week. Loadings for 1960 up to April 16 totaled 155,597 cars, compared with 109,071 for the corresponding period of 1959.

**IN CANADA.**—Carloadings for the seven-day period ended April 14 totaled 67,467 cars, compared with 64,521 for the previous seven-day period, according to the Dominion Bureau of Statistics.

	Revenue Cars Loaded	Total Cars Rec'd from Connections
Totals for Canada		
April 14, 1960 .....	67,467	28,779
April 14, 1959 .....	71,526	28,054
Cumulative Totals		
April 14, 1960 .....	975,861	443,806
April 14, 1959 .....	967,104	411,554

## New Equipment

### FREIGHT-TRAIN CARS

► **Atlantic Coast Line.**—Ordered 1,000 roller-bearing freight cars at a cost of over \$11,000,000. ACF will build 300 gondola cars, 200 wet rock cars and 100 box cars. Greenville Steel Car will build 200 wood chip cars. Pullman-Standard will build 200 hopper cars. The 100 box cars will be 50-ft, 50-ton capacity cars. Other cars will be of 70-ton capacity. Deliveries will begin in July and be completed in September.

► **Baltimore & Ohio.**—Ordered 12 cabooses from its Washington, Ind., shops for delivery late this year.

► **General American.**—Plans expenditure of approximately \$30,000,000 in 1960, primarily for fleet equipment, to include tank cars and Dry-Flo and Airslide covered hopper cars.

► **Santa Fe.**—1960 equipment acquisition program includes orders for 1,800 cars: 300 box cars, 200 insulated box cars, and 200 auto box cars, all equipped with Shock Control underframes and all to be built at Topeka, Kan., company shops; 500 mechanical refrigerator cars from General American; 300 gondolas from Magor; 150 70-ton hopper cars from Greenville Steel Car; and 150 53-ft flat cars from Topeka company shops.

### PIGGYBACK

► **Rail-Trailer Co.**—Purchased 26 85-ft, roller-bearing piggyback flat cars from ACF—the nucleus, according to Rail-Trailer President E. F. Ryan, of "a modern new Rail-Trailer flat car fleet for piggyback leasing." Twenty-five of the cars are for lease to the Erie; the 26th will be used as a demonstrator or exhibition car.

### PASSENGER-TRAIN CARS

► **Milwaukee.**—Plans purchase of 75 double-deck suburban coaches at total cost of approximately \$13,125,000, provided fare increases sufficient to support such program can be obtained. Cars would be ordered over three-year period, would eventually replace all conventional equipment in suburban service.

► **New York City Transit Authority.**—Will ask the Board of Estimate for \$10,000,000 next year to buy 80 IRT subway cars to transport visitors to the 1964 World's Fair at Flushing Meadow. This special order would be in addition to 100 IRT cars, costing an estimated \$12,000,000, for which the authority originally planned to seek funds in 1961.

► **Santa Fe.**—Ordered 25 baggage car shells from Pullman-Standard. Construction will be completed at Topeka company shops. Deliveries will begin in June.

(Continued on following page)



# MARKET OUTLOOK (continued)

## New Facilities

► **Chesapeake & Ohio.**—Ordered traffic control center and CTC equipment from Union Switch & Signal Division of WABCo. for installation on 79 miles of track between Hinton, W. Va., and Clifton Forge, Va.

► **Grand Trunk Western.**—Awarded contract to Walter Toebe & Co., Lansing, Mich., for construction of five-track steel through plate girder bridge over new channel of relocated Kalamazoo River at Battle Creek, Mich. Project is part of flood-control work in progress by U. S. Army Corps of Engineers.

► **Santa Fe.**—Ordered CTC equipment from Union Switch & Signal Division of WABCo. for installation on 191 miles of track between Shopton, Iowa, and Sibley, Mo., to be controlled from a 12-ft traffic control center at Shopton.

## Maintenance Expenditures

► **Up 2.2% in February.**—Expenditures by Class I roads for maintenance of equipment, way and structures in February were up about \$5.2 million, compared to the same month in 1959, according to report of AAR Bureau of Railway Economics summarized below:

	February 1960	February 1959	% Change
Maintenance of Way and Structures ..	\$94,562,090	\$93,154,549	+1.5
Maintenance of Equipment .....	148,983,378	145,179,606	+2.6
Totals .....	243,545,468	238,334,175	+2.2

## Purchases & Inventories

► **January Purchases up 3.8%.**—Purchases by domestic railroads of fuel, material and supplies in the first month of this year were \$4,597,000, or 3.8%, higher than in the corresponding month of 1959. Purchase and inventory estimates in following tables were prepared by Railway Age.

PURCHASES*	January 1960	January 1959
	(000)	(000)
Rail .....	\$ 8,288	\$ 8,003
Cross-ties .....	5,064	5,042
Other Material .....	79,345	68,890
Fuel .....	32,796	38,961
Total .....	\$125,493	\$120,896

\*Subject to revision.

INVENTORIES *†	January 1, 1960	January 1, 1959
	(000)	(000)
Rail .....	\$ 43,122	\$ 47,954
Cross-ties .....	71,791	87,639
Other Material .....	397,657	397,877
Scrap .....	24,284	26,349
Fuel .....	21,406	22,959
Total .....	\$558,260	\$582,798

\*Subject to revision

†All total inventory figures taken from ICC statement M-125 for month indicated.

## 'Construction Reserve' No Subsidy, Says ATSF's Reed

A strong pitch for a "construction reserve" was made by Santa Fe Vice President—Finance John S. Reed in an address before the New York Society of Security Analysts April 22.

Mr. Reed said equipment replacement presents "what is probably the most significant financial problem facing the railroad industry in today's inflationary economy." He added:

"When we are faced with replacing a unit of equipment such as a freight car, the accumulated depreciation accruals, based as they are on the original costs of the old equipment purchased 25-30 years ago, represent only about a third of the cost of replacing that car 'in kind' today. As a practical matter, the replacement cost is further inflated by the many extra features that a new car must have to make it acceptable to today's shippers. The difference between the depreciation accruals and the present-day cost must come from after-tax earnings.

"To the extent that depreciation accruals fail to provide the money for these replacements that we need just to stay in business, our profits are overstated and taxed away—which is really a form of capital levy. It is the reason why we are so strongly in favor of the proposal for a 'construction reserve' which would permit us to set aside funds for capital improvements and deduct them from taxable income of that year, with the requirement that the funds be used for improvement purposes within five years. Failure to do such would make the funds taxable with some additional penalties.

"Such a reserve would in no sense be a subsidy. It would just represent a change in timing for the period in which the railway could take its deduction. A 'construction reserve' would have the future advantage of allowing railway managements to plan their modernization plans ahead and permit more orderly execution of their programs."

## Dividends Declared

**ATLANTA & CHARLOTTE AIR LINE.**—\$4.50, semi-annual, payable Sept. 1 to holders of record Aug. 20.

**ATLANTIC COAST LINE.**—50¢, quarterly, payable June 13 to holders of record May 4.

**CLEARFIELD & MAHONING.**—\$1.50, semi-annual, payable July 1 and Jan. 1, 1961, to holders of record June 17 and Dec. 16, respectively.

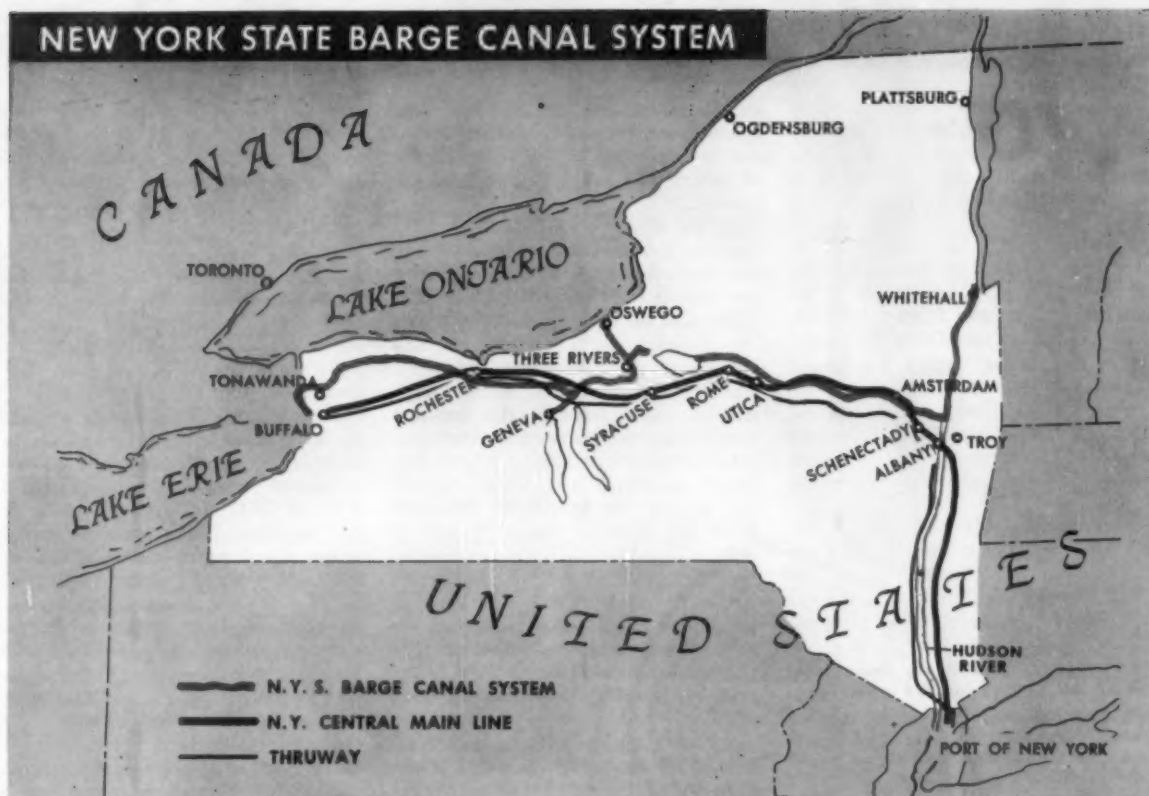
**CLEVELAND & PITTSBURGH.**—7% guaranteed, \$7½¢, quarterly; 4% special guaranteed, 30¢, quarterly, both payable June 1 to holders of record May 16.

**PITTSBURGH, YOUNGSTOWN & ASHTABULA.**—7% preferred, \$1.75, quarterly, payable June 1 to holders of record May 20.

**ST. LOUIS-SAN FRANCISCO.**—25¢, quarterly, payable June 15 to holders of record June 1.



## NEW YORK STATE BARGE CANAL SYSTEM



### The Continuing Outrage

## Creeping Canalism

The Erie Canal, grandfather of the inland waterways, is on the block—offered free to the federal government as far as taxpayers in New York are concerned.

The state's voters endorsed the transfer in a referendum last November. Along with the 338-mile Erie would go 186 miles of supplemental waterways—524 miles altogether.

"Take it," said the taxpayers, "and Godspeed."

Neither the state legislature nor the federal government has moved to effect the transfer yet. But pressure to have it done is increasing.

Now the Port of New York Authority, hardly a partisan on the side of the railroads, has thrown its hat in the ring. At hearings conducted by the Corps of Engineers in Albany, a Port Authority spokesman urged the engineers "to undertake a major modernization" of the canal system to help strengthen the state's economy.

Some railroaders were reminded of the late Governor Al Smith's comment

that the state would be better off financially if it got rid of the canal and shifted all the traffic over to the railroads at taxpayers' expense . . .

As shown in the accompanying map, the matter of transferring canal traffic to the rails presents no major cross-country transfers—the main line of New York Central, New York City-to-Buffalo, closely parallels the waterway. For that matter, so does the modern four-lane New York Thruway.

Neither logic nor alternative transport facilities seem to matter, however.

The Port Authority, for example, suggests a two-stage modernization program for the canal system. The first stage calls for widening channels, easing bends and modifying locks so a single tug could maneuver two barges, instead of one, through present facilities.

The second stage is replacement of existing locks. The present 328-ft-long by 45-ft-wide locks would be "modernized" by expanding them to 600-ft-long by 90-ft-wide where possible. There

are 57 locks on the 524-mile barge system.

Estimates of the cost of reconstructing the canal system vary widely. Last summer, during the campaign to have New York voters approve the state-to-federal transfer, figures were cited ranging from a low of \$200 million to a high of \$800 million.

There's quite a gap in these figures. It suggests there is less concern with price than with promotion. That's often the case nowadays. Improved waterways in the United States, for instance, have been expanded to around 29,000 miles because of it.

Corps of Engineers' figures show total tonnage on the New York canal system now runs about 4,500,000 tons a year. How much additional business will float across the state, if the canal system is "modernized," is a moot question. Competing railroads can certainly expect to feel the pinch, just as they do every time free enterprise is forced to compete with the bottomless purse of public enterprise.

The phantom trial installation was made on a single-track section signaled for two-direction running, where eight through freights and several local freights were handled daily. A mythical crossing was established and all control circuits and relays for crossing signals were installed. The approach west of the mythical crossing was 3,749 ft; the eastern approach was 3,590 ft. Circuits were arranged to establish a 50-ft overlap as the "island" circuit. Equipment consisted of two transmitters and two receivers, all fed from a 10-volt battery. This test lasted more than a year and the AFO track circuits shunted perfectly for each train. There were no failures.

One eastern railroad uses 13 sets of AFO equipment for "island" circuits at highway crossings. Three "island" circuits are installed in existing conventional highway crossing control circuits in double-track, single direction running territory to cut out the crossing protection as soon as the train clears the crossing when making a reverse move. Nine sets are used for "island"

circuits at five crossings and two were installed at two crossings, where welded rail is employed, to save the expense of cutting rail and installing insulated joints.

At one major railroad junction, AFO equipment is installed on three mainline tracks to establish "island" circuits for cutting out protection soon after trains clear the crossing. All three tracks are signaled for operation in both directions. Cab signaling and CTC direct operation on a double track mainline and through the junction with a third mainline track. Short arm gates are used as a part of this system, which protects a city street crossing the tracks. No additional insulated joints beyond those already in use for existing signal and highway crossing system were required in the three main tracks. By using these overlay circuits, installation of crossing protection on these three tracks was simplified. The railroad estimates it saved 50% of the cost of installing conventional track circuits.

In another installation, in a terminal area, AFO equipment controls highway crossing signals at two crossings 371 ft apart. This installation is made on a low-speed, industrial track with comparatively short approaches.

To protect a city street crossing adjacent to a passenger station stop, a 660-ft non-coded AFO track circuit was installed on single track in dc propulsion territory signaled for two-direction running. The railroad runs down the center of one street so that normally the traffic lights operate as for a normal street intersection. Upon the shunting of the AFO circuit by an approaching train, however, the traffic light is held red for the cross street. This circuit is arranged so that passenger trains, either eastbound or westbound, can stop in the station area without affecting the traffic lights. When moving toward the crossing, from either direction, the AFO circuit is shunted, causing the traffic lights to hold green for the train.

## Single-Track Usage

AFO equipment also has been installed on a single-track line signaled for two-direction operation. The 13-mile line, which leads to an industrial plant, has one passing siding, and traffic is directed by CTC. Under normal operations, 24 trains per day move over the line. Approaches to the crossing are approximately 1,100 ft. To keep short the distance at which the AFO track relay picks up to stop the flashers

after the passage of a train, track relay connections were made as close to the crossing pavement as possible. The receding ringing distance (where train leaves circuit causing flashers to cease operation) can be controlled by adjustment of the AFO receiver. This distance varies somewhat with ballast conditions. Under dry ballast conditions a range of from almost zero to not over 25 ft can be obtained. Installation of the AFO equipment obviated need for extensive changes in CTC and interlocking circuits required for a standard crossing protection installation using dc track circuits.

One of the most complete installations of AFO was recently made on two mainline tracks where signaling is for two-direction running. This installation required approaches of 2,700 ft. The highway crossing over the two tracks is protected by bells, flashing signals and short-arm gates. This is the first high speed mainline AFO installation to control the movement of gates. At this installation, receding ringing distances (point where receding trains cause gates to raise) vary between 25 and 35 ft with maximum variation in ballast resistance.

## Tuggle Sees Need for Both Diversification, Correlation

Can transport coordination be accomplished best through "diversification" (common ownership) or through "correlation" (voluntary concurrence in through routes and joint rates)?

ICC Chairman Kenneth H. Tuggle thinks a little of both is needed.

He told the National Petroleum Association in Cleveland that present laws permit a considerable degree of diversification—"particularly the ownership or control by railroads of motor carriers and, to a limited extent, water carriers and pipelines." He added:

"Where transport diversification is not permissible under existing statutory standards it seems reasonable to conclude that voluntary intermode marriages hold much higher promise of early fulfillment, in the public welfare, than shotgun weddings, particularly when the ammunition is in the form of a statute or economic pressure of any kind. But, sometimes, as Thomas Jefferson has said, 'It takes time to persuade men to do even what is for their own good.'"

Mr. Tuggle said transport coordination "presents the most insistent and immediate problem confronting the transportation industry today."

## FOR SALE

Notice is hereby given that pursuant to provisions of State Property Control Act approved March 29, 1953, the State of Illinois will dispose of the following equipment to the highest bidder; on a single bid basis only for the entire lot.

WRRS Model 10 Highway Crossing Signal, Flashing Light and Automatic Gate Assemblies, with Type 3504 Signal Mechanisms and Type 3505 Gate and Counterweight Arms Assemblies, in the amount of 22 Roadway Gates, 3 Roadway Gates with separate sidewalk arms, 18 Sidewalk Gates, 1 Flashing Yellow Light and "No Left Turn" Mechanism, 1 Signal Mechanism without gate arms.

WRRS Model 10 Crossing Signal, Automatic Sidewalk Gate Assemblies, with GRS Model 24 Signal Mechanisms, in the amount of 7 Station Gates.

14 Griswold Relay Cases, complete with US & S electrical equipment.

Above property will be removed by the Chicago Transit Authority and may be seen in Storehouse 43, 1036 Montrose Avenue, Chicago, Illinois on or after June 1, 1960. Bids must be submitted by 10:00 a.m. June 15, 1960, to be opened in the office of Administrator at 10:00 a.m., June 16, 1960, Room 608, State Armory, Springfield, Illinois.

All of above railroad-highway Crossing Protection material conforms to AAR Signal Section specifications and was installed new less than 3 years ago at temporary railroad-highway grade crossings necessitated by Congress St. Expressway construction in Chicago, Oak Park and Forest Park, Illinois.

Payment shall be made to the Department of Finance, State of Illinois on notice of acceptance of bid. Removal of property must be made within 15 days from notification.

The contractor shall maintain such insurance as will protect him from claims under workmen's compensation acts, and from any other claims for damages for personal injury, including death, which may arise from operations under this contract, whether such operations be by himself or any subcontractor, or any one directly or indirectly employed by either of them.

Certificate of such insurance shall be filed with and approved by the Department of Finance.

For further information contact Property Control Section, Department of Finance, Room 608, State Armory, Springfield, Illinois.

# People in the News

**ATLANTIC COAST LINE.**—Frank J. Primosch, assistant treasurer, elected assistant vice president and secretary.

**H. H. Hill**, general superintendent, operating department, Savannah, Ga., appointed general superintendent maintenance of way—system. Temporarily, Mr. Hill's office will be located at Savannah. It will be moved to Jacksonville, Fla., concurrent with the general office move during July.

**J. J. Stockard**, general superintendent, Jacksonville, appointed assistant general superintendent transportation there.

**BOSTON & MAINE.**—Paul C. Dunn, assistant general manager—mechanical, Boston Mass., promoted to chief mechanical officer, reporting to D. A. Benson, vice president—operations. Earl C. Coss, superintendent of shops, North Billerica, Mass., promoted to assistant chief mechanical officer.

**CANADIAN NATIONAL.**—W. C. Hymus, industrial commissioner, Toronto, Ont., appointed special assistant to vice president, Central region, Toronto, succeeding S. J. Raymond, retired. Lawrence MacIsaac, industrial engineer, Atlantic region, Moncton, N.B., succeeds Mr. Hymus.

**CHICAGO & EASTERN ILLINOIS.**—Harvard R. Osmond, commerce counsel, named to the newly created position of assistant vice president—coal traffic.

**CHICAGO & NORTH WESTERN.**—Herman C. Jacobson appointed administrative assistant, Chicago.

**Norman H. Jones**, assistant passenger traffic manager, Chicago, retired April 30.

**COTTON BELT.**—E. A. Cowan, general agent, Tulsa, Okla., retired May 1.

**ERIE.**—J. R. Meredith appointed superintendent, dining car department, Jersey City, N.J. Abolished position of manager, dining car department.

**Francis L. Collins**, general agent, Newark, retired April 30.

**ILLINOIS CENTRAL.**—Elmer H. Forsing, commercial agent, St. Louis, appointed general agent—coal there, succeeding James M. Crook, retired.

**LOUISVILLE & NASHVILLE.**—James A. Kilduff appointed assistant vice president—finance, New York, in addition to his duties as assistant secretary and assistant treasurer.

**H. R. Stewart** appointed assistant director of personnel, Louisville, Ky., succeeding S. P. Strickland, named supervisor of car utilization, Transportation department (RA, April 25, p. 51).

**E. I. Bowman**, assistant general freight agent, Louisville, assumed the duties of Alvin R. Weikel, assistant general freight agent, deceased. Fred Roberson named to succeed Mr. Bowman. Jesse D. Buehler, freight traffic agent, Cincinnati, retired March 31.

**MILWAUKEE.**—Virgil E. Glosup, assistant vice president—operation, Chicago, appointed assistant vice president—chief engineer there, to succeed William G. Powrie, chief engineer, retired.

**MISSOURI PACIFIC.**—A. E. Wiethuchter appointed tax auditor, St. Louis, to succeed A. C. Peterson, who retired April 30.

**C. C. Cantrell** appointed assistant superintendent of safety, St. Louis.

**J. V. Utley** named general roadmaster and assigned supervision of track construction in automatic retarder classification yard at North Little Rock, Ark.

**MONON.**—Timothy W. O'Rourke, commercial agent, New York, appointed general agent in charge of the newly opened freight traffic sales office at 451 Old South Building, 294 Washington Street, Boston 8, Mass.

**Wiley S. Underwood** appointed general agent, New Orleans, succeeding J. M. Russell.

**NEW HAVEN.**—Eugene E. Hunt appointed commerce counsel, New Haven, Conn. Mr. Hunt will take part in representing the road in Interstate Commerce Commission matters, such as rate hearings, investigations and service applications.

**NEW YORK CENTRAL.**—Joseph D. Boylan, director of market research, appointed assistant freight sales manager, New York.

**NORFOLK & WESTERN.**—F. Porter Blackard appointed district freight and passenger agent, Petersburg, Va., succeeding Joe C. Dellinger, named general agent, Portsmouth, Ohio. Bryant R. Goodall appointed foreign freight agent, Norfolk.

**PACIFIC FRUIT EXPRESS.**—J. J. Rogers, general superintendent, Houston, retired April 30.

**PENNSYLVANIA.**—Carl S. Herr, passenger manager, Lake Region, Cleveland, named passenger manager—manager public relations at that point.

**RAILWAY EXPRESS AGENCY.**—Robert Adler appointed manager, coordinated traffic development, New York. Mr. Adler will coordinate sales developmental aspects of the intensified REA program on containerization, piggybacking, and the use of highway trucks, supplementing long-haul operations over the nation's railroads. Mr. Adler was formerly eastern district supervisor of Mercury Motor Express, Tampa, Fla.

**Alan M. White** appointed to the new post of assistant to director, Pricing division, New York. Mr. White was formerly with the Research Group of the Traffic Executive Association—Eastern Railroads, New York.

**RUTLAND.**—Sol Rosenberg elected treasurer, succeeding the late Jack H. Weiss.

**SOUTHERN.**—William C. Richardson, assistant to vice president—traffic, Washington, D.C., appointed freight traffic manager there, succeeding the late Carl B. Walker. Frank S. Ruins, commercial agent, Memphis, Tenn., appointed district freight agent, Huntsville, Ala., succeeding the late Ernest C. Brown.

**SOUTHERN PACIFIC.**—C. E. Ward, freight traffic manager, Chicago, appointed to the newly created position of assistant general traffic manager (freight and passenger), with headquarters at New York and Chicago. P. E. Carneck, freight traffic manager, New York, named traffic manager in charge of midwestern territory, Chicago. G. E. Maccubbin, general agent, freight department, New York, advanced to assistant to the general traffic manager, Chicago, succeeding J. J. Harr, named to the new position of assistant traffic manager, New York.

**TEXAS & NEW ORLEANS.**—H. B. Sturman, auditor of miscellaneous accounts, Houston, retired April 30.

**L. A. Brockwell**, general traffic manager, Houston, retired April 30.



Frank J. Primosch  
ACL



Virgil E. Glosup  
Milwaukee



Robert Adler  
REA



William C. Richardson  
Southern

**WESTERN TRUNK LINE COMMITTEE.**—Robert E. Barr, freight traffic manager, rates division, Burlington, appointed chairman of the Committee, succeeding George A. Moller, who retired April 30.

## OBITUARY

**Elmer C. Gordon**, 59, assistant freight sales manager, Chicago & Eastern Illinois, died April 14 at his home in Chicago.

**Stewart V. McNery**, 60, retired superintendent, Railway Express Agency, died recently.

**Prof. Herbert F. Moore**, 84, retired University of Illinois engineer, died April 16 in LaGrange, Ill. Prof. Moore is credited with research which saved American railroads more than \$100,000,000. He was a past president of the American Society for Testing Materials (1927-28).

**Alvin D. Johnston**, 42, assistant sales manager of bolt products and manager of railroad sales, Sheffield division of Armco Steel Co., died April 24 at Kansas City, Mo.

## Supply Trade

**Robert Aldag**, manager of the railroad division, Fairbanks, Morse & Co., has been promoted to manager of locomotive product sales, Beloit, Wis. **Hugh Donaldson** appointed central regional manager, locomotive product sales, Chicago, and **E. J. Phillips** named eastern regional manager, locomotive product sales, Fair Lawn, N.J.

**J. P. Gardiner** has been appointed product manager for railway car parts for American Car & Foundry Division of ACF Industries, Inc. **Walter H. Pogue, Jr.** has replaced Mr. Gardiner as St. Louis district representative for railway sales.

**Leonard A. Marquardt** has been appointed vice president—sales of W. H. Miner, Inc.



# You Ought To Know...

**Miles per hot box** car set off between division terminals was 202,390 for 1959. This was the best record since the 209,479 miles per hot box made in 1956, but slightly under the yearly average of 203,262 miles per hot box compiled during the last ten years.

**Family fares** and lower individual round-trip fares are going into effect on Louisville & Nashville June 1. Savings on family travel will range up to 25%; savings for individual passengers will average almost 17%.

**The world's largest tank car**—one of two 30,000-gal., 85-ft units built by Union Tank Car for Tuloma Gas Products—went on display last week in Chicago, in conjunction with the annual meeting of the Liquefied Petroleum Gas Association. The cars, built to Union's "Hot Dog" design, were scheduled to go into regular service at the end of the week.

**Microwave will be installed** by the New York Central between its new Avon yard at Indianapolis and its Southern District headquarters in the city. The 12.2-mile, one hop system (no repeaters) will have 24 voice channels and 6 telegraph channels.

**Reduced furlough fares** for uniformed military personnel have been extended to Dec. 31 by the railroads. The reduced fares were scheduled to expire June 30.

**Signaling and communications** developments will be discussed at the annual sectional meeting of the Cincinnati Conference, AAR Signal Section, at the Netherland Plaza Hotel in Cincinnati May 5. Guest speaker will be Frank S. Worthington, vice president of the Southern.

**Railway Express** has signed an agreement with United Air Lines providing coordinated air freight-surface express services to and from non-airport points. Shipments may be originated as air freight and delivered to final destination as surface express, or vice versa. Charges will be a combination of the applicable air and surface rates. (Another airline recently extended its service beyond air terminal points through agreements with individual truckers.)

**Third class "sleeper coaches"** are being placed on all long-distance trains in India. They're for the use of passengers traveling over 500 miles, and involve no extra charge. Orders have been placed for 400 of the new coaches, which have triple-deck berths.

**Crews outnumber passengers** on some trains that the unions want railroads to continue, AAR General Attorney Harry J. Breithaupt, Jr., told the Senate Surface Transportation subcommittee. He said "nothing but chaos and confusion" would result from legislation now before Congress to restrict management's right to discontinue trains.

**Analysis of maintenance costs** alone on the Missouri River shows that the taxpayers bore a cost of 6.52 cents per ton-mile of river traffic between Sioux City, Iowa, and the mouth of the river during the 20 years through 1958, according to Burlington President H. C. Murphy. Average rail ton-mile revenues during the same period were only 1.17 cents. Mr. Murphy's conclusion: "A system of user charges should be placed in effect quickly."

**First large-scale application** of Pullman-Standard's 30-inch travel cushion underframe will be made on 200 70-ton box cars to be built for Southern (RA, April 25, p. 55). Test installations were made previously on an 85-ft flat car and on another flat where the gear was mounted on the car floor to handle a container movement. P-S shops are now completing a third installation, on a Western Pacific box car.

**The future of suburban transport** must be integrated with civic redevelopment. This was the consensus of the RSPA seminar on "urban and suburban transportation" in Chicago last week. Civic planners were told to stop projecting trends and "tell us what you want us to do to halt the deterioration of focal cities." Railroads were advised to "make your plans and promote them."

**Freezing of rail freight rates** "for a period of years" has been recommended to the Royal Commission on Transportation by the Canadian Federation of Agriculture. The farm organization also asked rejection of the railway proposal for government assistance to offset low statutory rates on western export grain. It urged greater productivity and efficiency on the railways and said featherbedding should be closely studied.

**Enslavement** to "working methods of the past" is crippling the railroad industry, Pennsylvania President Allen J. Greenough told University of Pennsylvania alumni in Philadelphia last week. He said the PRR alone foots a featherbedding bill of \$50,000,000 a year, added: "We simply want to establish up-to-date working practices so we can climb back aboard the free enterprise system and make some money."

**Mounting losses** have forced Western Pacific to move for discontinuance of passenger trains 1 and 2—the RDC "Zephyrettes," operating between Oakland, Calif., and Salt Lake City, Utah. WP says its direct out-of-pocket loss last year totaled \$255,000. Average patronage in '59 dropped to 12 passengers per trip. Operating costs averaged more than \$1 per mile; total revenues amounted to only 12 cents per mile.

**Coordinated Associations** will meet in Chicago on the previously established dates of Sept. 10-13, 1961. These organizations turned down an invitation by the Railway Supply Manufacturers Association to change their meeting dates to coincide with June 1961 meetings of AAR's Mechanical Division and RSMA exhibits.



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# Nationalization Solves No Problems

Practically every big country in the free world has been indulging in quack economics in its dealing with transportation. The result is that transportation in these countries is costing much more than it ought to. Billions are being expended for transportation that could be spent more usefully for other goods and services (e.g., national defense or education). The Communist colossus is not making this mistake. Hence, Russia gives fair promise of having, soon, at least as effective a transportation system as any country in the West—and at a fraction of the cost for upkeep, plant renewal, and labor expense.

The perverted economics which is producing transportation waste in the West—far worse in the U.S.A. than anywhere else—is the senseless duplication of facilities, and proliferation of public investment in transportation plant. This waste is made possible by the humbug that economic demand justifies any and all the huge expenditures that have been, and are being, made on highways and other publicly owned transportation installations.

Economic demand (in the self-supporting, free-enterprise sense of the word) has not been allowed to set limits on expenditures for highways, waterways and air transport facilities. Railroads, meantime, are operating under the old book of rules. They cannot get investment money to add to or improve their plant unless the evidence is compelling that the outlay will earn more than enough to repay all capital, maintenance and operating costs and taxes.

By contrast, the money expended upon highways, waterways and air transport facilities is appropriated politically and is spent politically—due care being taken not to let the full burden of the costs fall on the users of these facilities. The result is that this undisciplined expenditure of public funds may, and often does, divert traffic from economical rail movement to a method which is much more costly. It is next to impossible that a centrally controlled economy, such as that of Russia, could or would fall into such an egregious blunder.

The free-market test of the wisdom of capital expenditures—where all such outlays are expected to earn a profit—is a more effective

method than Russia's centralized control for directing capital expenditure to the places where it will produce the highest return for the least outlay. But America—and practically all big countries in the West—have abandoned "the test of the market place" for their politically motivated transportation expenditures.

Even those countries in the free world which have abandoned private ownership of railroads are still using the straight yardstick of the free market to measure the productivity of capital expenditures on railways. But they are not using the same yardstick as a gage of the profitability of public expenditures on other types of transportation.

Here is the difference: If they calculate the economics of a capital outlay on railways, they try to figure out what the ensuing profit will be *to the railway enterprise*. But, if they are seeking to justify expenditures on highways, they don't consider profitability to the highway system.

Instead, their usual practice is to estimate the total time-saving to all users of the proposed highway and figure out how much money such time-saving should be worth *to the users*. As Sir Reginald Wilson of the British Transport Commission has pointed out, if the economic justification for investment in railways were thus to be estimated—then almost any expenditure on railways would show an astronomical "return" on the proposed investment.

If honest economics were applied to the problem of equitable financing of all investment in transportation facilities, railroads would prosper in their own right. There would be no demand or justification for nationalization—which is little more than a device to enable deficit-ridden railroads to survive as dependents of the public treasury.

Under equitable financing each type of transportation would prosper relatively to its economic merit, and not in relation to its political power, as at present. Transportation would be an honest business—and not the kept woman that, in large measure, so much of it now is.



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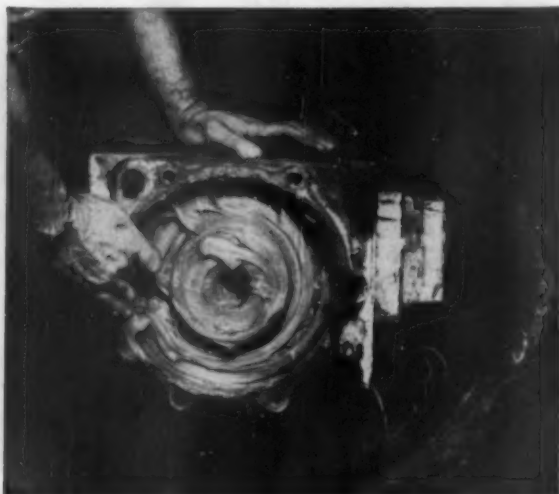
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